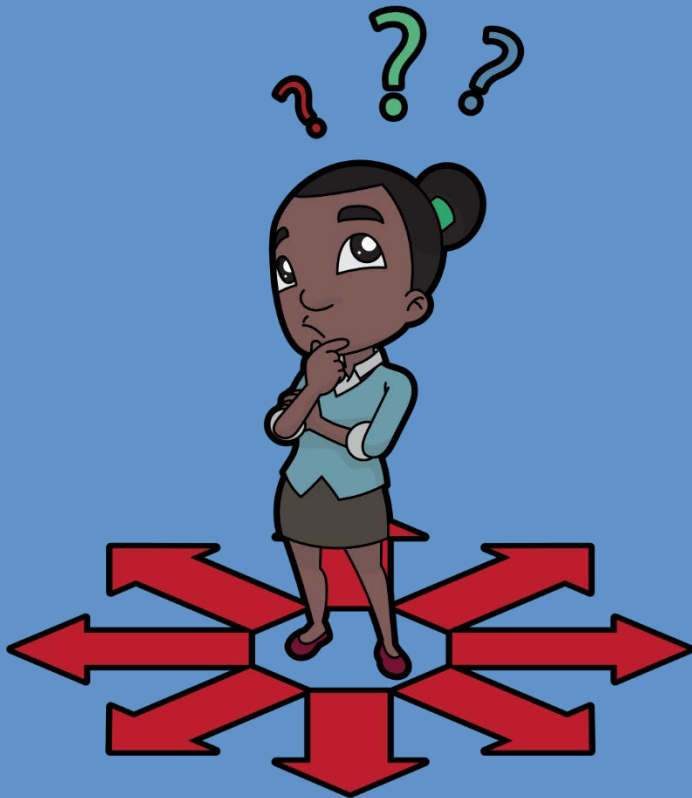


Diversity, Equity & Inclusion Training – Making the Case for Diversity

Northeast Recycling Council
December 8, 2021
Cheryl T Coleman, VP for Sustainability
Institute of Scrap Recycling Industries (ISRI)

What is it and why should I care?



- A diverse organization represents the populations of the geographies where they operate and their customer base. *WEF, 2020*
- **Equity ensures everyone has access to the same treatment, opportunities, and advancement.** *15five, 2021*
- **Inclusion makes all employees feel welcome, valued and respected.** *WEF, 2021*

Environmental

Assesses the risk of a company and its suppliers / partners from climate events and its impact on the physical environment.

Mitigation, transition and adaptation across:



Climate Change & GHGs



Air Pollution (non GHG)



Water



Material use & Waste



Biodiversity & ecosystems

Social

Assesses a company's relative social impact and associated risk from societal actions, including from its direct and indirect employees, customers and the communities in which it operates.



Labor practices



Employee investment



Organizational culture, diversity & inclusion



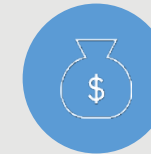
Community impact



Product & service attributes

Governance

Assesses the timing and quality of decision making, governance structure and the distribution of rights and responsibilities across different stakeholder groups, in service of positive societal impact and risk mitigation.



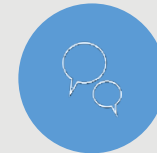
Fair capital allocations



Business Ethics



Governance structure & engagement



External position & advocacy

Source: Waste Management

The Business Case

Employees	Customers	Regulators
<p>>70% say they are more likely to work for a company that has a strong green footprint</p> <p>Nearly 50% would accept a smaller salary to work for an environmentally and socially responsible company</p> <p>46% say they would only work for a company with sustainable business practices</p> <p>43% of executives say that the driver for sustainability initiatives is to motivate and address employees' sustainability preferences</p> <p>30% have left a company due to its lack of a corporate sustainability agenda and over 11% have done so more than once</p>	<p>79% are changing purchase preferences based on the social or environmental impact</p> <p>57% have paid higher than average prices for sustainable products</p> <p>53% are switching to lesser-known brands / organizations that are sustainable</p> <p>\$150B estimated U.S. spend on consumer-packaged goods viewed as sustainable in 2021 and growing</p>	<p>53% of global respondents cited the poor quality or availability of ESG data and analytics as the biggest barrier to broader implementation of sustainable investing</p> <p>In his first 100 days in office, President Biden executed a litany of personnel, regulatory, multi-lateral and research-related initiatives that will transform the U.S. government's approach to climate change</p> <p>91 central banks and financial supervisors signed onto the Network of Central Banks and Supervisors for Greening the Financial System (NGFS)</p> <p>\$667B paid to the U.S. government since 2000 in ESG-related violations</p>
Communities	Shareholders	Suppliers
<p>47% of companies stated their community investment budget increased in 2020 due to COVID-19 response</p> <p>Of those, 18% predicted their community investment budgets would increase in 2021</p> <p>Source: MUFG</p>	<p>85% of U.S. individual investors express interest in sustainable investing strategies</p> <p>54% of global investors consider sustainable investing to be fundamental to investment processes and outcomes</p> <p>50%+ of U.S. individual investors are adoptees of sustainable investing</p>	<p>32% of respondents indicated they are increasing ESG due diligence on suppliers to mitigate disruptions</p> <p>180 organizations pushing brands to end sourcing of cotton and clothing from Xinjiang in response to human rights abuses</p>

DEI is a Business Imperative



- The Great Resignation
 - **According to the latest JOLTS report, a record number of 4.4 million Americans left their jobs in September, accelerating a trend that has become known as the Great Resignation. Nov 15, 2021**

"I certainly think that the pandemic has led many people to reevaluate their work and their priorities and what they want to do," Elise Gould, senior economist at the Economic Policy Institute. statement to Business Insider.

- Employee Attraction and Retention
- Public, Investor, Regulatory Demands
- HOW?
 - Set specific goals
 - Goals should be actionable, measurable, and evidence-based
 - Make DEI who you are, not what you do

Leadership is the key