

The ABC's of ESG

AMO Conference
Lunch Session
Tuesday, August 22, 2023





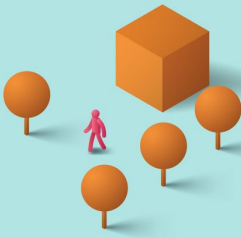
Who is LAS?

AMO's Business Services

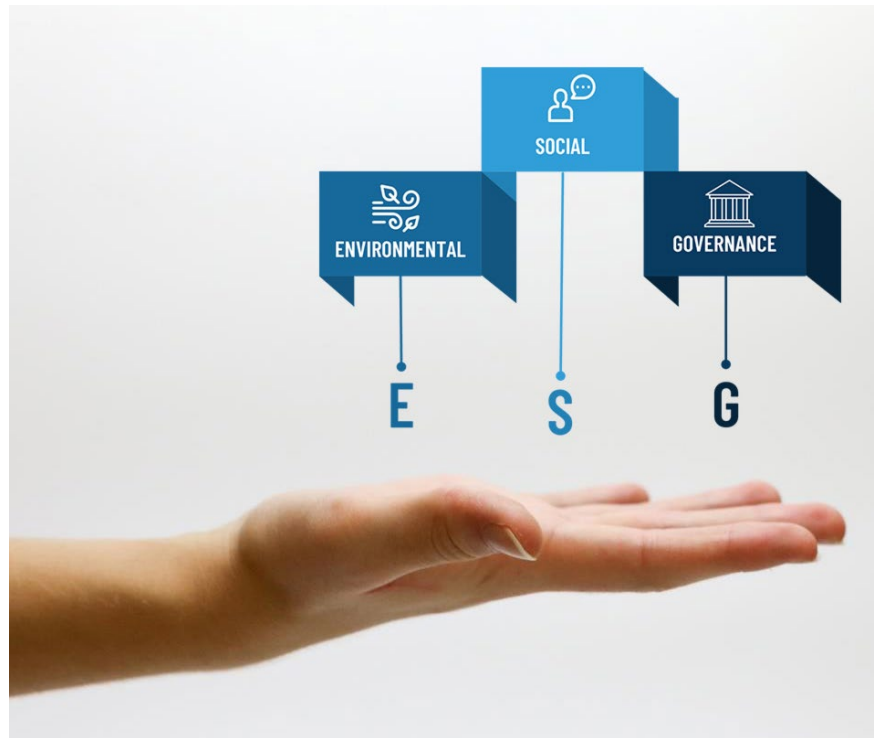
- 30+ years delivering programs and services for municipalities
- Not-for-profit, governed by a Board of Directors
- 9/10 depend on LAS



Helping Communities Work Better



What is ESG?



Environmental Impact on Planet

Social Impact on People

Governance Impact on Decisions

Performance measures related to sustainability

What is ESG

Benefits of ESG

ESG Risks

ESG Standards

Implementation



Benefits of ESG



Long Term Organizational Sustainability

- Decreased Operating Costs
- Enhanced Capital Access
- Growth Opportunities
- Reputation boost
- Supplier Diversity
- Competitive Differentiation

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ESG and Risk

Environment: climate change, protection of natural resources

Social: diversity, equity and inclusion, labour relations

Governance: board composition, policies, procedures and strategy



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Reputational Risk



Reputational Risk: Anything that has the potential to damage the public's perception of an organization.





Litigation Risks

- **Sustainability-Based Litigation-** Climate Change Related Class Action Lawsuits
- **Greenwashing Claims**
- **Recent Canadian Lawsuits**
 1. Environmental JEUnesse vs. Canadian Federal Government
 2. British Columbia Municipalities vs. Local Fossil Fuel Corporations



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ESG Standards



“By integrating ESG considerations into operations and strategy, companies can also help ensure they are flexible enough to adapt to rapidly changing social, political, economical and environmental landscapes.”

Rashmi Dubé, ESG litigation and business advisor at Gunnercooke LLP

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Why Implement ESG Into Procurement?



Considerations

- Competitive advantages
- Positively influences companies along supply chain
- Drives ESG culture to all sectors
- Increases transparency
- Promotes sustainable business growth

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Challenges of ESG



- Risk vs Return
- Scoring/Quantifying ESG
- Upfront Costs
- Insufficient Data
- Free Trade Agreements

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Let's continue the conversation...

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