



Best Sustainability Practices

How to Respond to ESG-based Supply Chain Requests Being Pushed Down, Aligning ESG with Manufacturing Metrics, and How Your Response Affects Your Facility Moving Forward

Amber Greaney, MPA, LEED GA, ENV SP
Senior Sustainability Analyst, KERAMIDA Inc.

Robert Distler,
Director Corporate EHS, Superior Essex





Company Profile



KERAMIDA is a WBENC-Certified Woman-Owned Firm that serves businesses, industries, cities and governments across the U.S. and around the globe.

Established in 1988, KERAMIDA is a Sustainability and EHS consultancy, conducting major GHG & Sustainability projects, and educating clients on these topics for 30+ years.

Our experts work across five divisions: **Sustainability**, **Compliance**, **Air**, **Land**, and **Risk, Health & Safety**.

Our unique expertise in ESG, Sustainability and GHG/Climate Action includes strategy, planning, economics, reporting, verification, carbon neutral actions, data analytics, management system development, and training.

We are proud to sponsor the KERAMIDA Foundation for Sustainable Living.

To learn more about KERAMIDA, visit www.keramida.com.



Company Profile

A globally diverse powerhouse in magnet wire and communications cable technology, Superior Essex consistently pushes the boundaries of innovation, sustainability, and engineering. We lead these efforts across the globe to foster lasting success for the customers we serve.

Built on more than 90 years of expertise, our teams form mutually beneficial relationships with members of the automotive, commercial, residential, industrial, energy, and communications markets to provide the products and services they need to flourish, and in turn, inspire their customers to thrive.

From the newest electric vehicles, power transformers, and commercial generators to the data communications cables linking our homes and businesses, we produce the wire and cable that powers your connection to the world.

Superior Essex is Everywhere You Live and Work®.

Additional information is available at [superioressex.com](https://www.superioressex.com).

Introduction



Amber Greaney, MPA, LEED GA, ENV SP
Senior Sustainability Analyst /
Livable City Solutions Manager
KERAMIDA Inc.



Bob Distler
Director Corporate EHS
Superior Essex

Agenda

1. ESG Core Concepts
1. Reporting
1. ESG Lessons Learned
1. ESG Strategy Activity
1. Discussion / Q&A

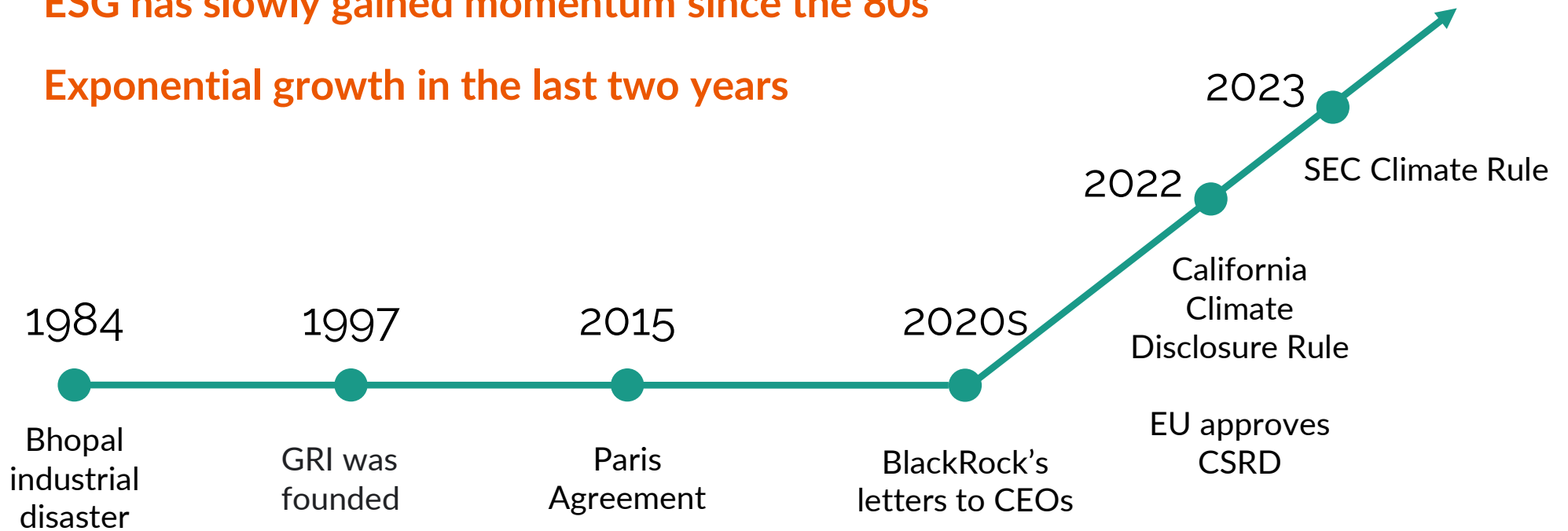


ESG Core Concepts

The Rise of ESG

ESG has slowly gained momentum since the 80s

Exponential growth in the last two years



What is ESG?

A way to measure and manage non-financial aspects of business – this relies on environment, social and governance – that contribute to a company’s ability to create value



Why so much emphasis on ESG?

1. Growing awareness
2. Regulation & Legislation
3. Reputation & Branding
4. Investment & Shareholder Pressure
5. Target Achievement

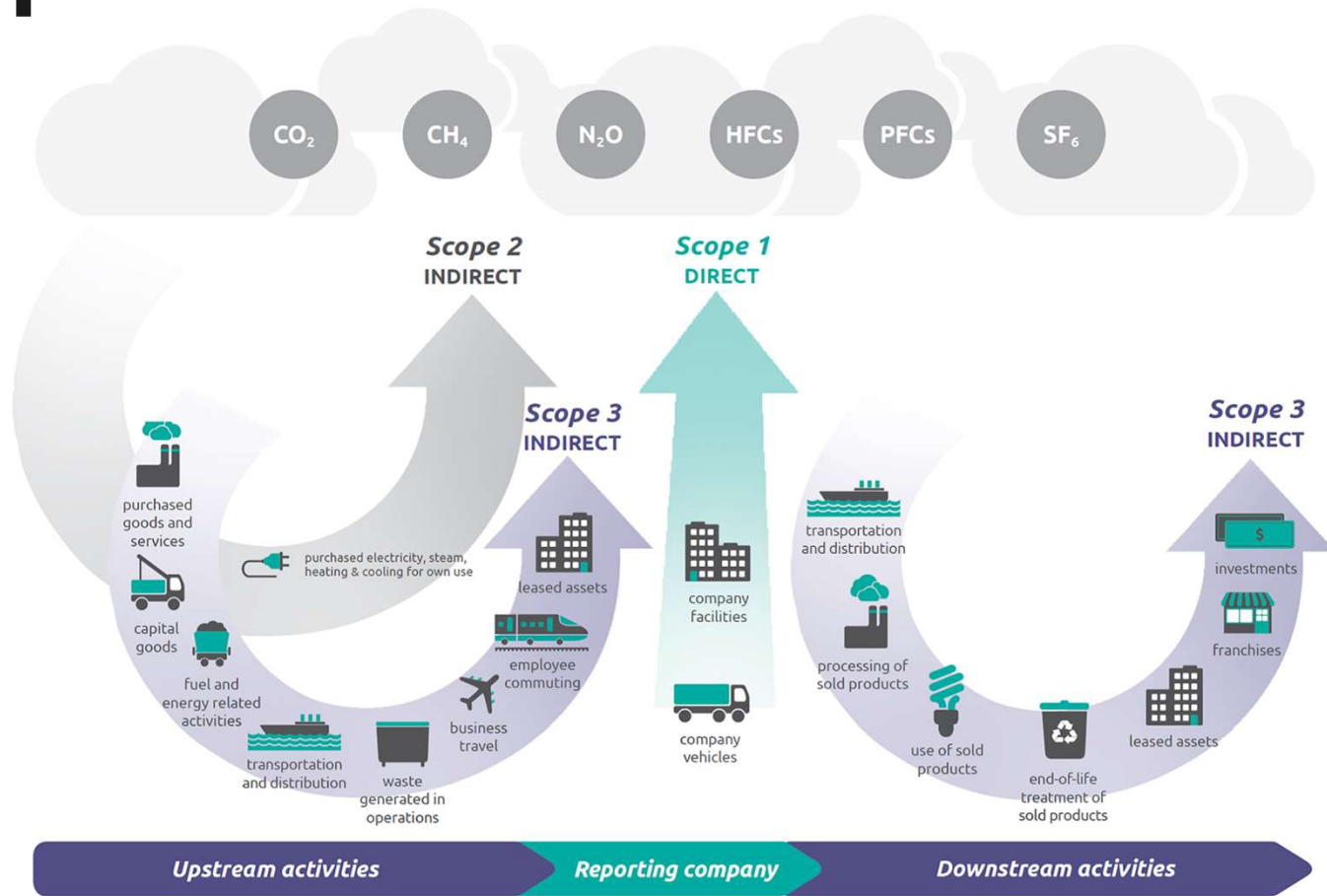


Why do customers request ESG information?

1. Critical to their own decarbonization efforts
2. Critical to their successful reporting under various reporting platforms



Example: Greenhouse Gas Emissions



Evolution of Sustainability

Corporate Social Responsibility (CSR)



Environment, Social, & Governance (ESG)



ESG can co-exist with a CSR program

Success evolving from a “CSR” mindset to an “ESG” mindset requires 2 things:

- ✓ Ability to articulate the *business case* for sustainability
- ✓ Shifting the Culture from asking *How much harm is allowed?* to *How little harm is possible?* (precautionary principle)

Reporting



Key Players



FINANCIAL
STABILITY
BOARD



SEC Climate Rule

SEC rule will require a domestic or foreign company to include certain climate-related information in its registration statements and periodic reports, such as on Form 10-K, including:

- Climate-related risks and their actual or likely material impacts on the registrant’s business, strategy, and outlook
- The registrant’s governance of climate-related risks and relevant risk management processes
- The registrant’s Scope 1 and or Scope 2 greenhouse gas (“GHG”) emissions, which, subject to limited assurance (transition to reasonable assurance)
- Certain climate-related financial statement metrics and related disclosures in a note to its audited financial statements
- Information about climate-related targets and goals, and transition plan, if any



Organizations Impacted by SEC Climate Rule

Compliance Dates under the Final Rules ¹						
Registrant Type	Disclosure and Financial Statement Effects Audit		GHG Emissions/Assurance			Electronic Tagging
	<i>All Reg. S-K and S-X disclosures, other than as noted in this table</i>	<i>Item 1502(d)(2), Item 1502(e)(2), and Item 1504(c)(2)</i>	<i>Item 1505 (Scopes 1 and 2 GHG emissions)</i>	<i>Item 1506 - Limited Assurance</i>	<i>Item 1506 - Reasonable Assurance</i>	<i>Item 1508 - Inline XBRL tagging for subpart 1500²</i>
LAFs	FYB 2025	FYB 2026	FYB 2026	FYB 2029	FYB 2033	FYB 2026
AFs (other than SRCs and EGCs)	FYB 2026	FYB 2027	FYB 2028	FYB 2031	N/A	FYB 2026
SRCs, EGCs, and NAFs	FYB 2027	FYB 2028	N/A	N/A	N/A	FYB 2027
<p>1 As used in this chart, “FYB” refers to any fiscal year beginning in the calendar year listed.</p> <p>2 Financial statement disclosures under Article 14 will be required to be tagged in accordance with existing rules pertaining to the tagging of financial statements. See Rule 405(b)(1)(i) of Regulation S-T.</p>						

Reach of the TCFD

In addition, various jurisdictions are taking steps to encourage or mandate TCFD-aligned disclosure

June 2021: Switzerland's Financial Market Supervisory Authority amended disclosure rules for banks and insurers to include climate-related financial risks, based on TCFD

April 2021: The European Commission issued a proposal calling for the development of sustainability reporting standards that take into account existing frameworks including the TCFD

October 2021:¹ The Canadian Securities Administrators proposed to make climate change disclosures mandatory for public companies, largely consistent with the TCFD recommendations

2020-2021: Several UK regulators issued rules and proposals for TCFD-aligned disclosure

June 2021: The Tokyo Stock Exchange issued a revised Corporate Governance Code, which now indicates certain companies should enhance disclosure based on TCFD recommendations

July 2021: The U.S. Securities and Exchange Commission (SEC) Chair Gensler announced the SEC's intention to develop a climate risk disclosure rule proposal, drawing from the TCFD framework as well as other standard-setters

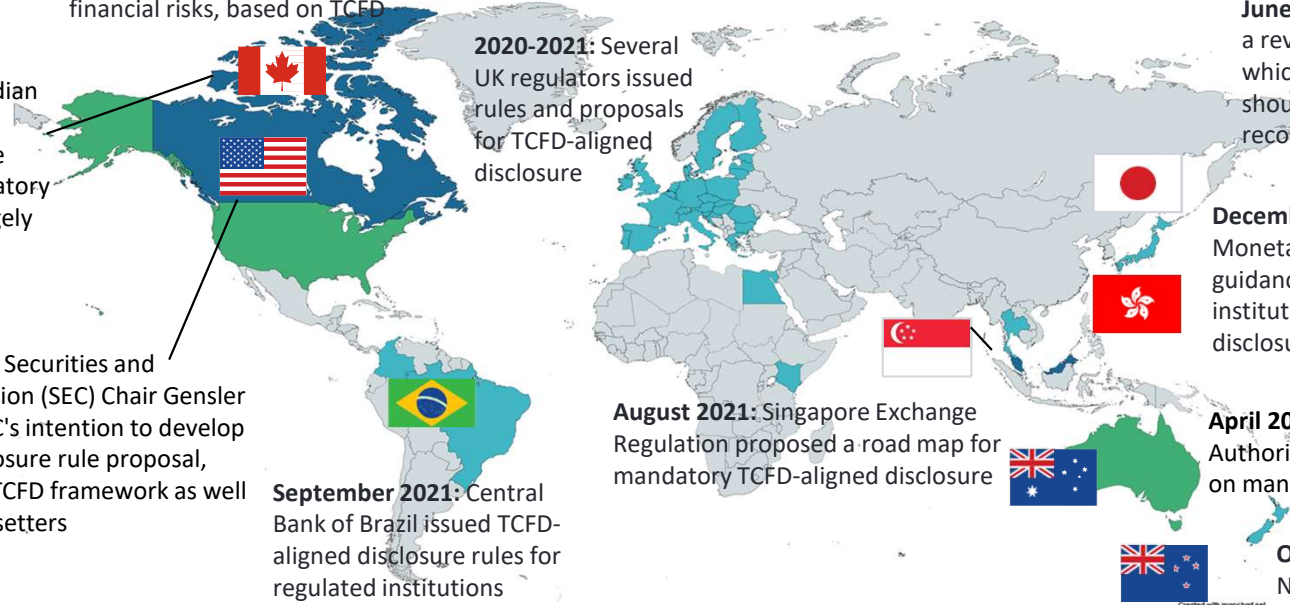
September 2021: Central Bank of Brazil issued TCFD-aligned disclosure rules for regulated institutions

August 2021: Singapore Exchange Regulation proposed a road map for mandatory TCFD-aligned disclosure

December 2020: The Hong Kong Monetary Authority issued draft guidance indicating authorized institutions should make TCFD-aligned disclosures

April 2021: Australian Prudential Regulatory Authority publishes TCFD-aligned draft guidance on managing climate risks

October 2021: New Zealand passed a bill to require mandatory TCFD-aligned disclosure for large listed issuers and financial institutions



ESG Reporting



Investor-Driven



Non-Investor-Driven



Simplifying the Sustainability Disclosure Landscape

Consolidated into the IFRS Foundation



Climate Disclosure Standards Board

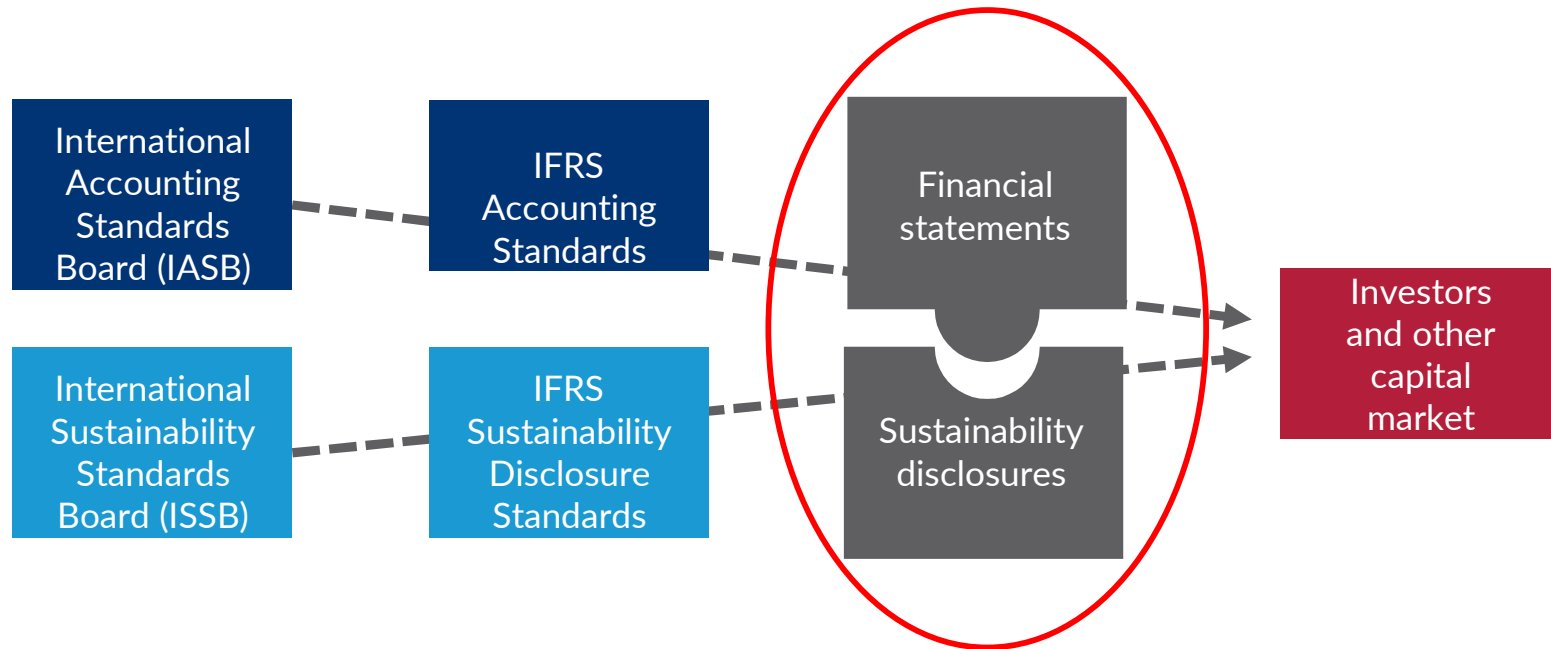


IFRS Sustainability Disclosure Standards built off market-leading, widely adopted frameworks and standards



Simplifying the Sustainability Disclosure Landscape

ISSB designed to communicate to investors



ESG Requests

The CDP Request

The EcoVadis Request

Supplier ESG Audits

Other Sustainability Assessments/
Questionnaires

ESG Requests

How do companies officially request ESG information from their suppliers?

1. Requesting within the supplier contract
2. Sending a separate request
3. Using a 3rd party platform

It's important for companies to:

- Clearly communicate the purpose and scope of their ESG information request.
- Provide guidance on how the information should be provided and what areas of ESG performance they are interested in.
- Help suppliers understand the importance of ESG to the company and provide more relevant and accurate information.

Ford's Supplier Code of Conduct

Ford's suppliers are required to:

- Report their Scope 1, 2 and 3 emissions and water usage data to Ford if requested
- Establish science-based GHG reduction targets, action plans and transparent reporting mechanisms to reach net-zero by 2050

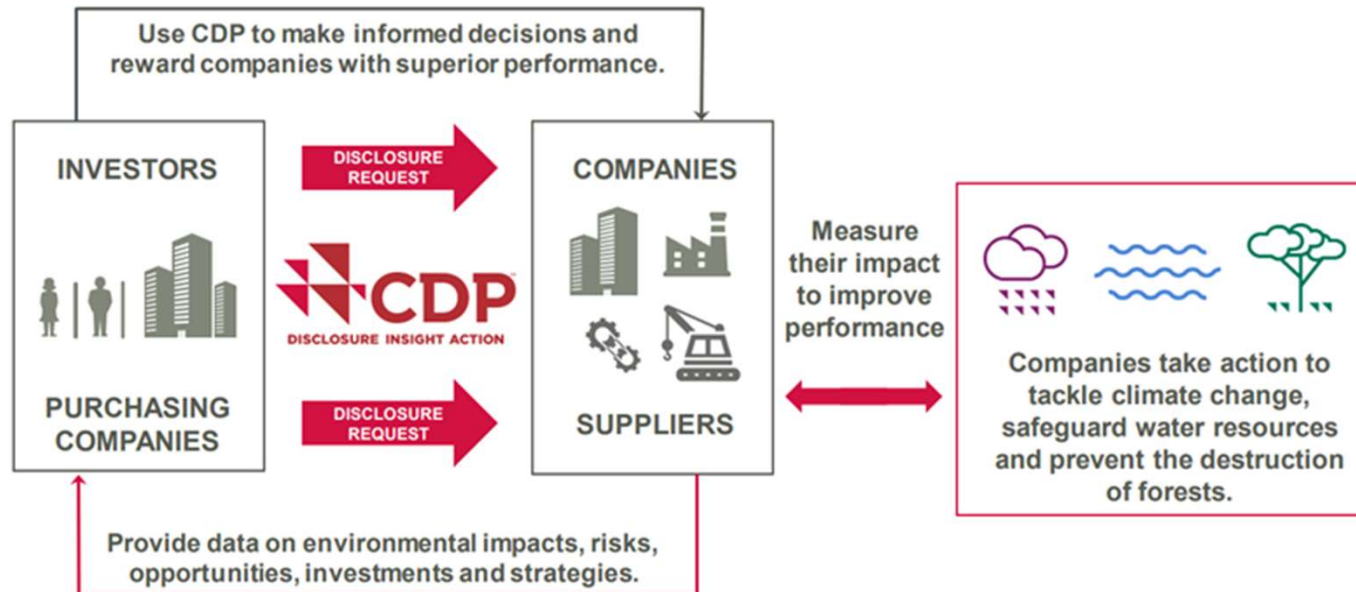
To ensure compliance with the code, Ford conducts audits of its suppliers and requires them to complete a self-assessment questionnaire. The company also provides training and resources to support suppliers in meeting its expectations.



Source: <https://corporate.ford.com/operations/governance-and-policies/supplier-code-of-conduct.html>

The CDP Request

CDP provides an online platform where companies can report on their environmental performance through thematic questionnaires that address climate change, water security and forests.



In 2022 ~18,700 companies reported to CDP

CDP Questionnaires – Three Themes



Climate Change

- Climate-related risks & opportunities
- GHG emissions and energy data
- Climate-related targets
- Assessment of climate-related risks and opportunities



Water Security

- Water dependence and management
- Facility-level water accounting
- Assessment of water-related risks & opportunities



Forests

- Assessment of forest-related risks & opportunities
- Plans to remove deforestation from direct operations & supply chains

EcoVadis

- EcoVadis is a global sustainability rating platform that provides a comprehensive assessment of ESG performance
- Aims to help companies improve their sustainability performance and increase transparency and accountability to stakeholders



1.6M+
Companies
Screened



100,000+
Companies
Rated



175+
Countries



200+
Industries

EcoVadis

EcoVadis is used by companies for:

- Sustainability Assessment
- Benchmarking
- Reporting
- Supply Chain Management



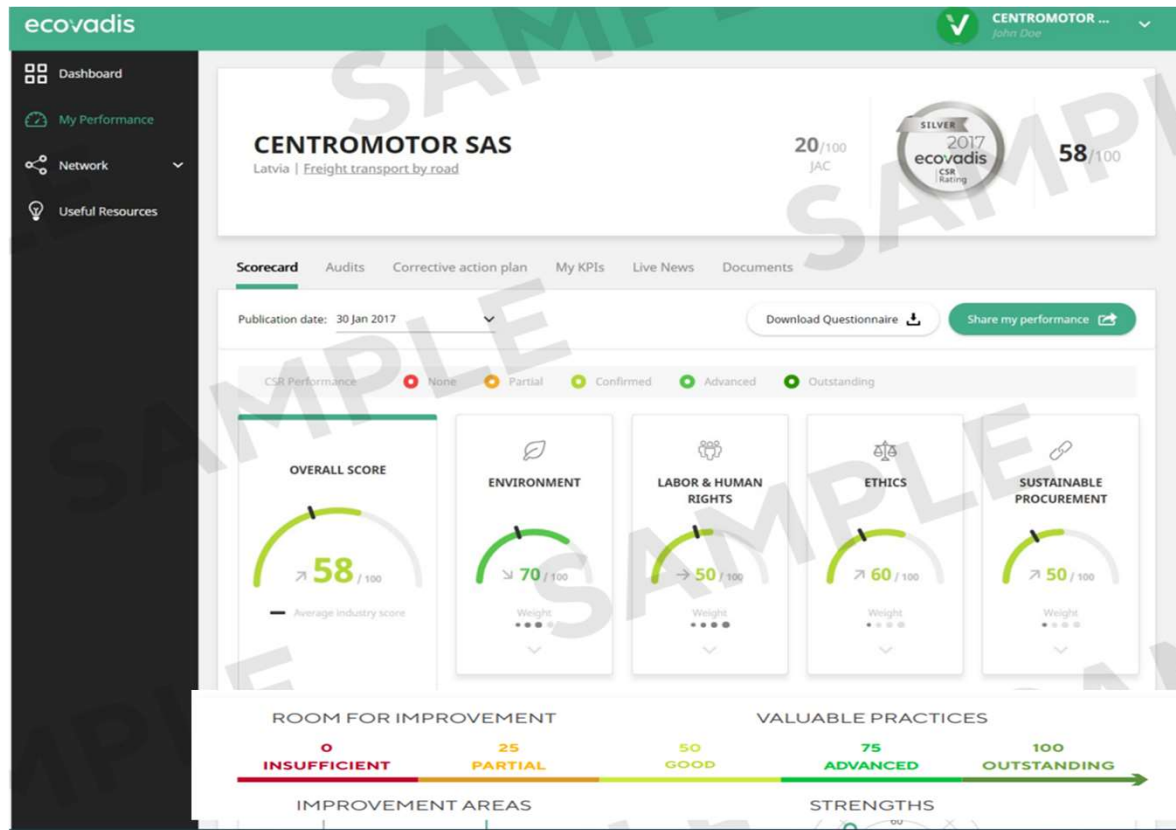
EcoVadis Methodology

21 Sustainability Criteria			
ENVIRONMENT	LABOR & HUMAN RIGHTS	ETHICS	SUSTAINABLE PROCUREMENT
<p>Operations</p> <ul style="list-style-type: none"> • Energy Consumption & GHGs • Water • Biodiversity • Local & Accidental Pollution • Materials, Chemicals & Waste <p>Products</p> <ul style="list-style-type: none"> • Product Use • Product End-of-Life • Customer Health & Safety • Environmental Services & Advocacy 	<p>Human Resources</p> <ul style="list-style-type: none"> • Employee Health & Safety • Working Conditions • Social Dialogue • Career Management & Training <p>Human Rights</p> <ul style="list-style-type: none"> • Child Labor, Forced Labor & Human Trafficking • Diversity, Discrimination & Harassment • External Stakeholder Human Rights 	<ul style="list-style-type: none"> • Corruption • Anticompetitive Practices • Responsible Information Management 	<ul style="list-style-type: none"> • Supplier Environmental Practices • Supplier Social Practices

EcoVadis Scoring Process



EcoVadis Scorecards



Supplier ESG Audits

A Sustainability Supply Chain Audit
- review of a company's supply chain to evaluate its environmental, social, and governance practices.

Goal: identify areas where a company can improve its practices, as well as ensure compliance with relevant laws and regulations. Help companies identify potential risks and opportunities related to sustainability and develop strategies to address these issues.



ESG Audit Example - Nike

(Un)announced audits of suppliers to assess sustainability compliance

Engages suppliers to improve sustainability

Sustainable sourcing & production initiatives

NIKE MANUFACTURING MAP

Use this INTERACTIVE MAP to learn more about NIKE, INC. contract manufacturing network and where NIKE does business. [Learn even more at sustainability.nike.com](https://sustainability.nike.com)

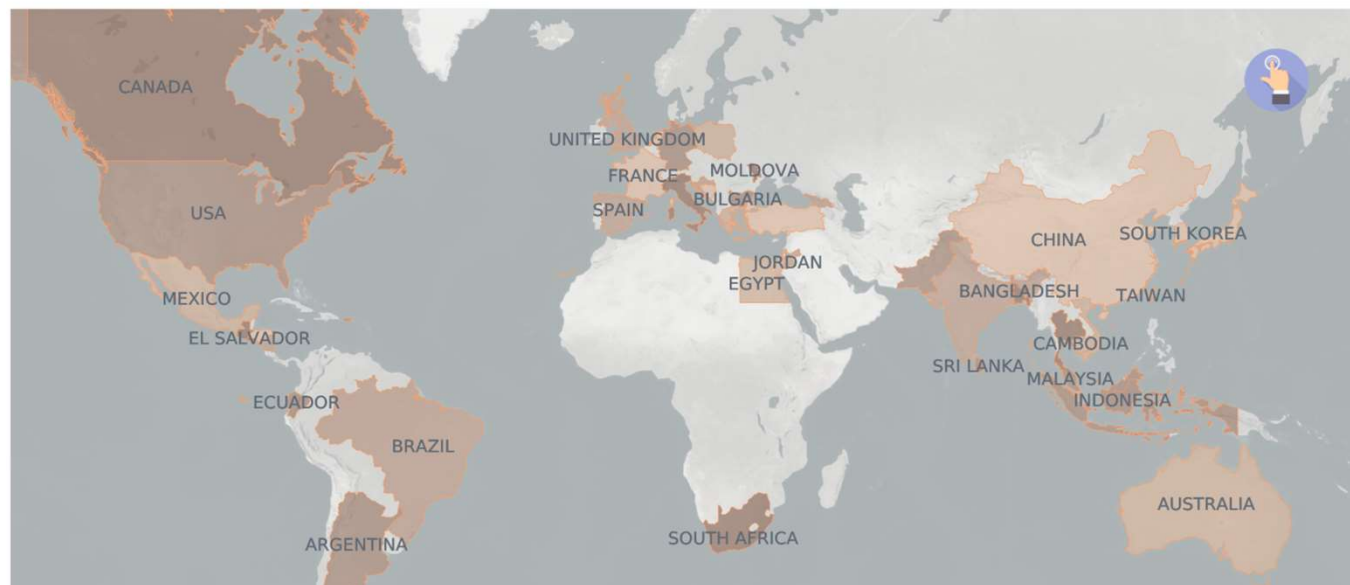


FINISHED GOODS MANUFACTURED

COUNTRIES	FACTORIES	SUPPLIERS	WORKERS	FEMALE WORKERS	MIGRANT WORKERS
42	538	179	1,023,020	67.5%	8.5%

MATERIALS SOURCED

COUNTRIES	FACTORIES	SUPPLIERS
11	76	35



Other Sustainability Assessments



Other Sustainability Assessments (Questionnaires or Surveys) can be made in-house.



Compliance Requests (reviewing declarations/certificates of compliance with Prop 65, REACH, EU RoHS, TSCA, Responsible Minerals Due Diligence etc.)

Managing ESG Requests

Resource	Resource staff and knowledge appropriately
Understand	Understand the request
Assess	Assess the company's current ESG performance
Prioritize	Prioritize requests
Develop	Develop a response strategy
Provide	Provide transparent and accurate response
Manage	Continuously improve ESG performance

ESG Reporting & Customer Requests...

Improved Sustainability

Enhanced Social Responsibility

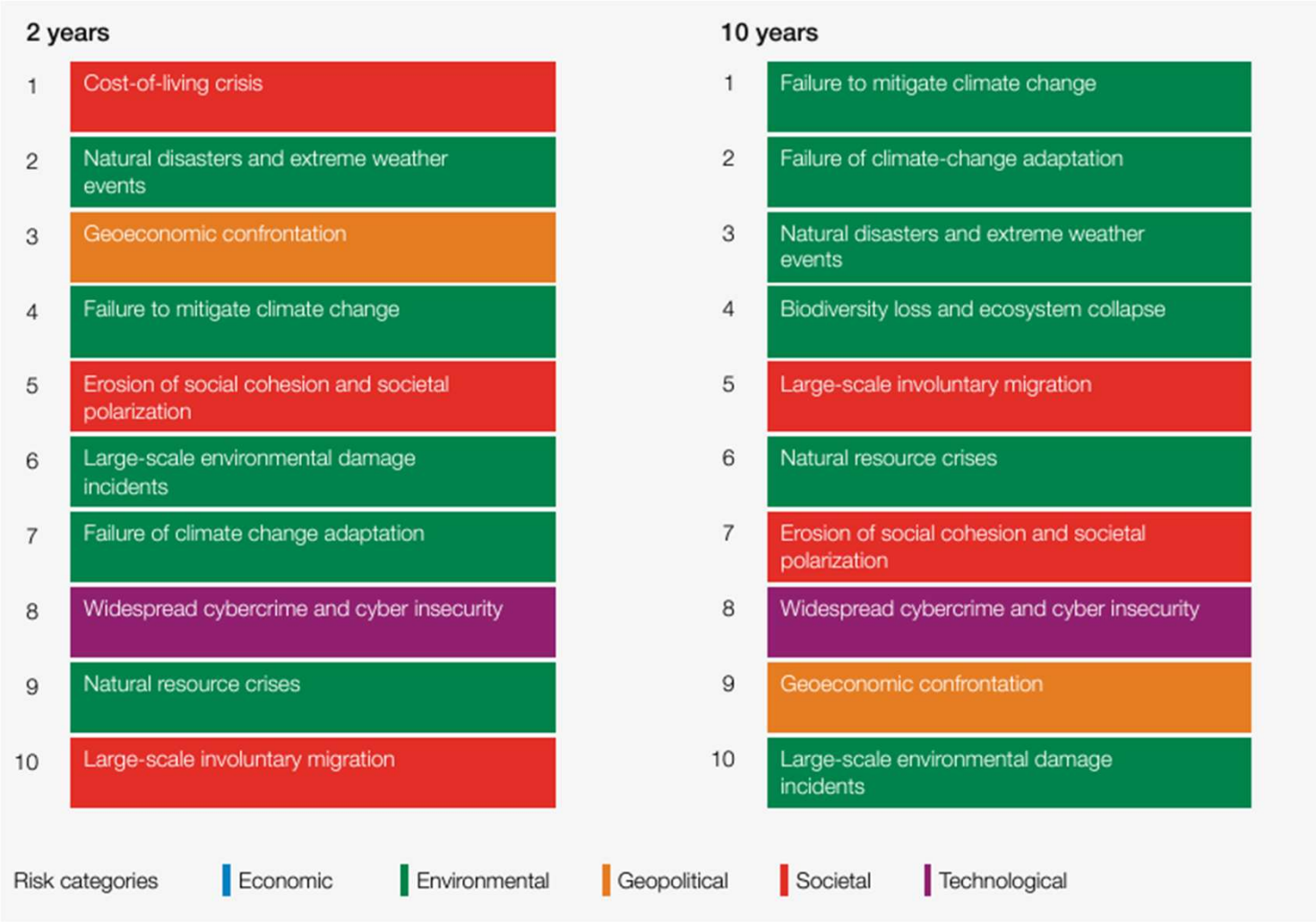
Reduced Risk

Increased Innovation



ESG Lessons Learned

Understand ESG Risks



Source
World Economic Forum Global Risks Perception Survey 2022-2023.



Board Oversight

Ensure the board has the right composition, structure and process to oversee ESG in the context of strategy and long-term value creation.

- Make sure there is a “home” for ESG oversight, whether it’s the governance committee, an ESG committee, or somewhere else in the board structure.
- Effective oversight hinges on having the right people in the boardroom, supported with quality information to enable appropriate oversight.



Anchoring

Agree on definition of ESG and its importance to the company.

- How issues are framed impacts our understanding of why they matter and how we address them
- By agreeing on a definition of ESG and its importance, managements and boards can set the stage for progress
- By framing the discussion in business terms—risk, opportunity, efficiency, and financial performance—they can help short-circuit preconceptions, politics and personal views



What is the catalyst behind ESG for your company?

ESG Integration

Develop ESG metrics that come back to a financial impact that can be measured.

- Too often, ESG initiatives remain peripheral to core corporate activities and so do not contribute directly to a company's competitive advantage
- Connecting ESG topics with financial performance will bring the same focus and discipline to them as they do to other strategic initiatives
- Integration efforts should include employee participation and organizational processes and routines



ESG Capacity Building

ESG success depends on a cross-functional team with representation across your company's functional areas.

- ESG team or steering committee can inventory and address existing capabilities and strengths, and gaps in processes or data
- ESG team needs executive and board-level commitment



Focus on Strategy, Not Reporting

ESG Reporting can help amplify your messaging, but it cannot substitute for a robust ESG management system.

- By focusing on the messaging and not on the management of ESG issues, the company remains exposed to significant risks
- Confront the difficult questions that will differentiate your company by building positive ESG outcomes into your strategy
- Sharing a compelling competitive strategy is more important than marginal improvements in ESG metrics





ESG Takeaways

- Don't be scared of ESG – see it as an opportunity to take control of your 'E' 'S' and 'G' topics
- The purpose is to build a resilient business
- Get familiar with your 'E' 'S' and 'G' topics and how they are managed
- Regardless of proposed regulations, an ESG program will create value
- Today's climate demands an ESG strategy, planning and reporting by all successful businesses and requires a cross functional team

ESG Strategy Activity



ESG Risk Assessment

	Short Term	Long Term
Actual		
Potential		

Superior Essex Example



	Short Term	Long Term
Actual	<ul style="list-style-type: none">• Supply Chain	<ul style="list-style-type: none">• Water – changing precipitation pattern
Potential	<ul style="list-style-type: none">• Scarcity of Raw Materials	<ul style="list-style-type: none">• Location of Raw Materials (e.g. conflict mineral states)

Group Discussion

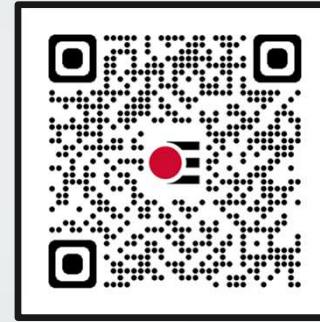


Thank you.

Do you have any questions?

Agreaney@keramida.com | (219) 380-7511

Robert.distler@spsx.com | (260) 461-4391



SCAN TO
LEARN MORE ABOUT
KERAMIDA

www.keramida.com



SCAN TO
LEARN MORE ABOUT
SUPERIOR ESSEX

www.superioressex.com

Biographical Information

Robert Distler, Global EHS Manager, Superior Essex
3405 Meyer Rd., Fort Wayne, IN 46806
bob.distler@superioressex.com

Robert Distler has been in the environmental field for most of his 40+ year career. With a bachelor's degree in chemical engineering from the University of Notre Dame, Bob started his working career in plastics development, first as a summer intern during the early design stages of the PET soda bottle and later as a process engineer installing machines to mass produce them. During stints in plant engineering and plant management he became a plant environmental coordinator because "you're a chemical engineer and you understand all this," and in 1999 became a full time EHS professional. This naturally led to an evolution to ESG after deciphering questions from customer service representatives answering customer requests for "some kind of new" information. Bob has submitted the CDP questionnaire since 2011 and EcoVadis assessments since 2013 and looks forward every year to the end of July reporting deadline for CDP and mid-September for EcoVadis. He is the Director of Environmental Health and Safety for Superior Essex.

Amber Greaney, MPA, LEED GA, ENV SP
Livable City Solutions Manager & Senior Sustainability Analyst
KERAMIDA Inc. – Indianapolis, IN
WBENC-Certified Woman-Owned Business
(219) 380-7511 (cell) (317) 631-9583 (office)
agreaney@keramida.com

Amber Greaney has dedicated her career to advancing sustainability across diverse sectors. With a Master of Public Affairs degree specializing in Environmental Policy and Sustainability, complemented by dual Bachelor of Science degrees in Sustainable Management and Policy and Public Affairs, Amber serves as Senior Sustainability Analyst at KERAMIDA. With a wealth of experience collaborating with cities, universities, corporations, and non-profits, she leads initiatives in climate transition, policy development, and sustainability reporting. Amber's expertise in utilizing sustainability reporting frameworks, alongside her LEED Green Associate and ENV SP accreditations, ensures the implementation of robust strategies. As an Associate Faculty member at the O'Neill School of Public and Environmental Affairs, Amber shares her knowledge through teaching Sustainable Management. Beyond her professional endeavors, Amber's commitment to sustainability is evident through her involvement in organizations such as the O'Neill Alumni Board and the Midwest Climate Collaborative Steering Committee, reflecting her passion for creating healthier environments, thriving communities, and resilient economies.