

What is the *future*  
*of ESG* – regulation,  
risk or reward?

Webinar in partnership with NEDA

## The ESG challenge; transforming burden to benefit

Environmental, Social and Governance (ESG) is no longer an option, it's a necessity. Stakeholders factor it into the decisions they make – that brings both risk and reward. Boards need to pay heed to mandatory requirements. But they must also ensure their ESG agenda meshes with their strategic vision to deliver long-term competitive advantage.

How are organisations rising to meet the ESG challenge and how is the ESG landscape evolving? Louise Chaplin Partner and Head of Eton Bridge Partners' Board Practice, hosted a recent webinar to examine the key issues. Louise was joined by an expert panel comprising Vanda Murray OBE (Chair at Marshalls and Yorkshire Water, Rob Woodward (FTSE Chair and Chair of Court, Glasgow Caledonian University), and Louis Cooper (Chief Executive at the Non-Executive Directors' Association NEDA).



*Louise Chaplin*

Partner and head of board practice at  
Eton Bridge Partners



*Vanda Murray OBE DBA*

Chair at Marshalls and Yorkshire Water



*Rob Woodward*

FTSE Chair and Chair of Court Glasgow  
Caledonian University



*Louis Cooper*

CEO at NEDA



## Collective *Strength*

### Who are the custodians of ESG?

We asked webinar attendees where the ownership of ESG sits. A substantial proportion (47%) viewed ESG as the board's responsibility. This was at odds with the views expressed by the panel. Vanda Murray – drawing on her experience in blue-chip global organisations – felt senior leadership must be the driving force. Vanda stressed the need to embed ESG, rather than simply pay it 'lip service.' For this to happen, Vanda believes ESG must be, "Led from the front; from the CEO and senior leadership team, with a direct line of sight all the way through the organisation."

Louis Cooper agreed that day-to-day responsibility for ESG must be with the executive function but felt the ultimate ownership rests with the board. He went on to suggest that the need to ensure the right mix of ESG competencies could lead to board shake-ups and, "a new breed of NED;" one who better understands environmental and cultural issues.

Given the complexity of reporting data requirements and the broad reach of ESG's three pillars, it is unsurprising that we are seeing an uptick in the number of ESG committees or advisory boards that sit below the board. These sub-boards can pull the three strands together and feed the appropriate data metrics up to the board. As Vanda put it; "lead from the front, but make sure you've got the data behind it."

## Lifting the load; how best to approach the ESG reporting burden

When asked in a live poll to consider whether their organisation was overloaded by ESG reporting, just over two-thirds of our participants agreed or strongly agreed. Vanda agreed that ESG can be a burden, especially for smaller companies. Her advice? Focus on the information you really need; “You don’t need to measure absolutely everything.” Rob was similarly pragmatic; “Do it for the right reasons.” He drew on his professional experience at OneWeb – a private company with no real obligation to produce an ESG report but doing so in order to position itself as an environmentally conscious space provider.



When asked how often ESG was discussed at board meetings, *52%* of our webinar attendees replied it was on an *‘ad-hoc’* basis.

This was in contrast to Vanda’s experience demonstrating this is not consistent across boardrooms. Rob, drawing on experience in the public sector, private equity, and listed companies see value in putting ESG on the agenda only when there is something meaningful to say to avoid it becoming a “tick-box exercise.”

It’s clear that where ESG sits on the agenda varies under different ownership structures. Indeed, here at Eton Bridge Partners, we are on our own ESG journey. Previously a privately-owned SME, just over a year ago we were invested in by private equity firm Elysian Capital; that’s been a catalyst to broaden and strengthen our own ESG competencies.

## Embedding ESG for long-term competitive advantage

There is increasing recognition that, when you get it right, ESG can bolster growth prospects. The payback is not immediate though. When surveyed, a significant percentage of our attendees felt their ESG agendas were not yet having any large impact. Louis believes this is due to timing with ESG agendas for many boards still at an early stage.

ESG may be viewed as a 'jam tomorrow' but, all of the panellists highlighted a potential risk of being pushed aside due to the current economic uncertainty. Vanda noted; "It doesn't make it any easier to keep ESG at the top of the board agenda." Ultimately though, the long view remains that 'doing the right thing' and driving an ESG agenda that aligns with corporate priorities and meets reporting requirements should deliver a competitive advantage and drive future growth.

Thank you to all who attended this webinar for sharing their insights and, as ever, posing excellent questions to our panel.

Links to some of the organisations and reports mentioned by our panellists can be found below.



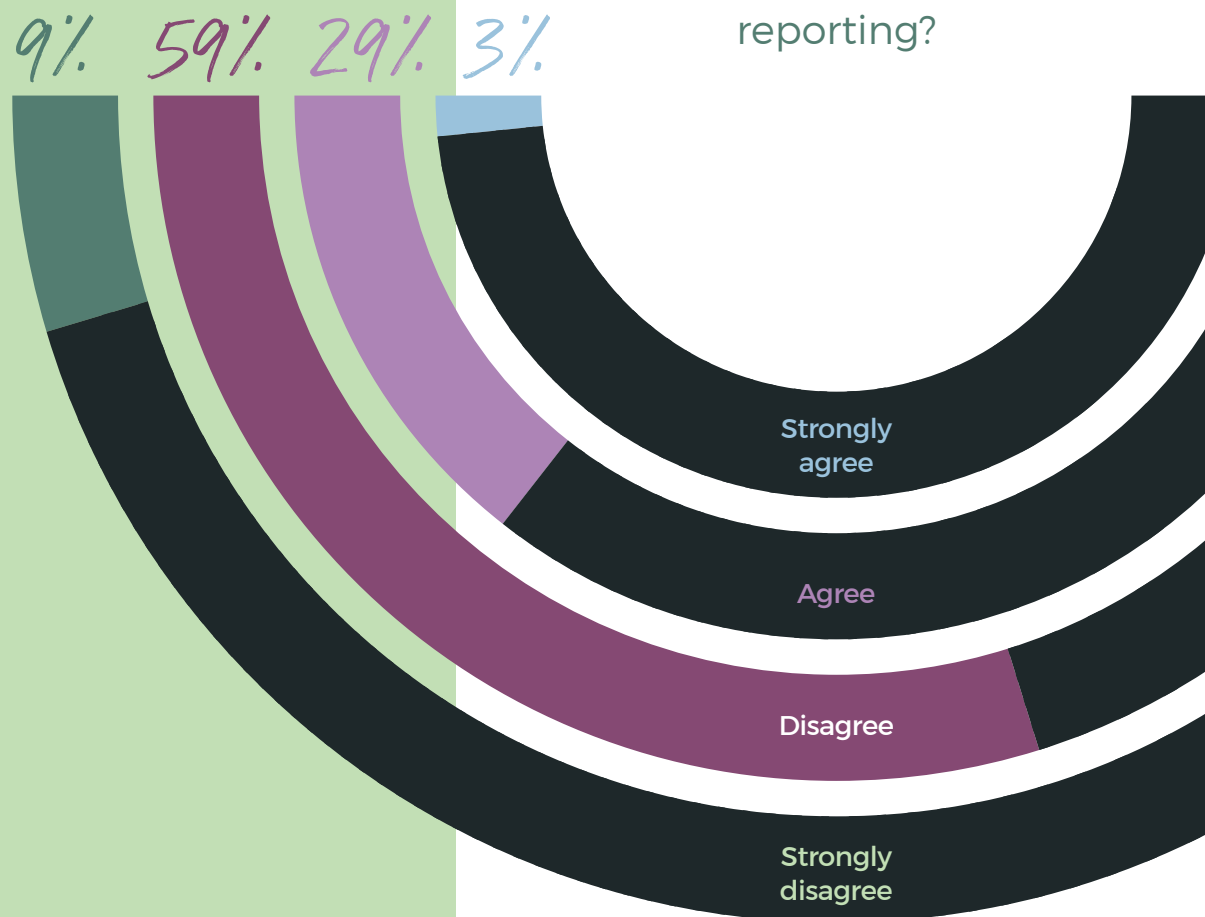
Chapter Zero



FRC Lab



Poll data:  
What is measurable  
and what is auditable,  
my organisation is  
being overloaded by  
reporting?



# Louise Chaplin

Partner | Head of Board Practice

Specialising in executive search within board level positions, Louise's unique combination of expertise and experience enables her to work closely with both clients and candidates at a senior level to ensure the best possible outcomes.



Read more



## Contact Louise



+44 (0) 20 8059 4443



[louise.chaplin@etonbridgepartners.com](mailto:louise.chaplin@etonbridgepartners.com)



[www.etonbridgepartners.com](http://www.etonbridgepartners.com)