

June 25, 2021

Enablon conference explores ESG innovative solutions to address ESG reporting, risk & opportunities

By *Brad Rosen, J.D.*

As environmental, social and governance (ESG) factors, and their attendant risks, become ever more important for companies and their stakeholders, [Enablon](#), a Wolters Kluwer business, presented a lively webinar exploring these timely issues as part of its *SPF 21 Series-Risk & ESG*. The Sustainable Performance Forum offered a wealth of insights, practical advice and approaches for companies across the industry spectrum.

[Nancy McKinstry](#), Wolters Kluwer CEO and Chairman of the Executive Board, shared her perspectives about how ESG is impacting the company and the major trends she sees coming in the future. The webinar also featured Microsoft's Chief Environmental Officer [Lucas Joppa](#), who discussed key innovation and technology plays as businesses increasingly shift towards corporate sustainability. Additionally, [Steve Walker](#), Senior Manager of Sustainability at The J.M. Smucker Company, shared insights from his company's ESG journey, while [Nicolai Lundy](#), a leader with the Value Reporting Foundation (formerly SASB) spoke about the ever-evolving world of disclosure frameworks and provided useful advice on how to work with them.

ESG at the heart of Wolters Kluwer organizational strategy. In her remarks, McKinstry stated that at Wolters Kluwer, ESG and strategy go hand in hand. She noted that the company's ESG efforts began in earnest in 2004, but at the time it was referred to as "sustainability." Given the explosion in interest in ESG in recent years among shareholders, investors, employees and the communities in which the company operates, as well as a generational shift, McKinstry pointed to the company's recently updated sustainability strategy that goes under the acronym ENGAGE. That moniker captures the breadth of the company's ESG undertakings and commitment to strong governance and business ethics; it stands for:

- Enhance employee engagement and talent management;
- Nurture diversity, equity, and inclusion;
- Grow product impact and innovation;
- Advance cybersecurity and data privacy;
- Generate a smaller environmental footprint; and,
- Enrich our communities.

McKinstry, who sits on the board of directors of companies in other industries, had some things to say about future trends as well. "ESG is on the top of every agenda of companies," she observed,

further noting, “I think there’s a level of rigor not only around the initiatives and what companies are doing, but also a level of rigor around transparency and reporting.”

In applying these concepts to the Wolters Kluwer context, McKinstry pointed to the organization’s long journey from going from print to digital, and its next step to becoming an expert solutions company, and how that is helping the environment while at the same time advancing the ESG agenda. Moreover, by assisting customers in taking those steps, McKinstry believes value is being conferred, environmental impacts are reduced, and benefits are accruing to those communities where Wolters Kluwer does business.

A look at Enablon’s 9.2 Vision software. Enablon Senior Director [Noelle Harvey](#) and her colleague, [Océane Rabillon](#), described how the Enablon Vision 9.2 software connects functions with data, which include:

- Connecting sustainability and financial data;
- Complying with emerging regulations;
- Conducting deeper scope 3 accounting;
- Expanding operational data sources; and,
- Embedding supply chain and product stewardship processes.

Rabillon emphasized the role resilience plays, noting the risk and ESG journey must not be done in big leaps but in little steps. “Little things add up,” she said. In her comments, Harvey also highlighted these features of the updated Enablon 9.2 Vision software:

- Provides a single platform, which connects multiple platforms and integrating multiple data sources;
- Enables managing, tracking and reporting data with one central tool rather than with isolated spreadsheets spread through an organization, which is often the case; and,
- Mitigates incidents, and tracks ESG progress versus goals rather than just achieving compliance.

Resilience— a key driver for ESG success. In his comments, Enablon Managing Director [Laurent Dechaux](#) set the stage for the day’s event by underscoring the importance of building resilience when taking on risk and ESG challenges. In his view, ESG is the new North Star for what we make and how we make it, as well as for what we sell and who buys it. He also observed that ESG is an increasingly important factor for venture capitalists, employees, vendors, and customers.

Dechaux also emphasized how the Enablon Vision software enables customers to track and manage data and engage in ESG reporting in line with the various disclosure frameworks such as Sustainable Accounting Standards Board (SASB), the Task Force on Climate-related Financial Disclosures (TCFD), the Global Reporting Initiative (GRI), and the Carbon Disclosure Project (CDP).

Data management at the center of the process. Enablon Vice President [Rob Davis](#), focused on data management as being the key to risk management and ESG. He explained that the process begins

with collecting data, tracking and reporting key indicators in connection with matters such energy and water usage, waste generation, workplace safety, compliance and audits. Davis also noted that the Enablon Vision software allows the following:

- Automation of the entire process from start to finish with a reduction of human error;
- Prevention and prediction of adverse incidents in shorter timeframes and with more accuracy; and,
- Evaluation and measurement of risks and opportunities so as to better protect a company's brand and reputation.

The role that the Enablon 9.2 Vision software can play in a company is creatively captured in this [Live Visual Note](#).

Software technology and the quest for environmental sustainability. Lucas Joppa, Microsoft's first Chief Environmental Officer obtained a PhD in Ecology and chose his current career path because he wanted to understand the relationship between the natural world and human existence. His big questions about biodiversity, complex systems, and species extinction could not be answered with just a pen and paper. Instead, Joppa needed to look at the power of computing and utilizing technology in order to grapple with these difficult ecological questions.

These days Joppa firmly believes that software technology is the lynchpin to addressing and achieving environmental sustainability goals. On that score, he stated that everything starts with measurement and monitoring, noting, "You can't manage what you can't measure". According to Joppa, measuring and monitoring informs everything we do—setting goals, how to achieve these goals, and tracking progress to determine if those goals are being achieved. Towards that end, an organization needs a constant flow of data, and that data needs to flow into systems of records, and then those systems need to be integrated and then optimized withing the organization.

Joppa also pointed to how data flows into software systems with the utilization of other digital technologies like the Internet of Things (IoT), sensors, drones, along with artificial intelligence, machine learning and algorithms on top of them. Software systems, combined with digital tools, can reduce energy and carbon emissions in manufacturing processes, optimize energy consumption on electrical grids, and facilitate waste disposal and the repurposing of assets, noted Joppa.

Corporate responsibility and the expansion of "doing the right thing." Joppa also had a few things to say about corporate responsibility and the rise of ESG factors in light of climate change, noting that since the industrial revolution, human beings have borrowed from the environmental future to pay for the economic present. Joppa noted that investors are getting concerned about environmental lines of credit being shut down and debts being called as they are increasingly questioning whether a business is robust and resistant in light of the changes to the climate system ahead.

Furthermore, Joppa observed a lot of people are not only asking if an organization is part of the problem, meaning contributing to the climate risk downside, but also whether the organization is

part of the solution. Joppa asserted that being part of the sustainability solution is now an imperative part of doing the right thing.

While recognizing that considering ESG is becoming core to the way that we think about these problems, he still sees more need to be done in terms of how business act. Nonetheless, Joppa is optimistic that current thought processes are heading in the right direction, and will lead positive economic changes in the decades ahead.

A video replay of the SPF Series Risk & ESG event can be accessed [here](#).

The following ESG resources can also be accessed:

[ESG for Business Success and Sustainability](#)

[5 Sustainability Trends for 2021](#)

[Environment and Sustainability](#)

[What is ESG Software](#)

[ESG Builds Resilience in a Changing World](#)

[You're the CFO. Why you should lead on ESG.](#)

[How Are Companies Doing on ESG and Sustainability Performance?](#)