



ESG/Sustainability and Green Reporting

29 MAY 2025

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Agenda

01. What is Sustainability and ESG
02. ESG/Sustainability policies and strategies
03. What is CSRD?
04. Practical examples which could be reported upon in your annual report.

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Sustainability and ESG



Sustainability and the UN's 17 SDG's

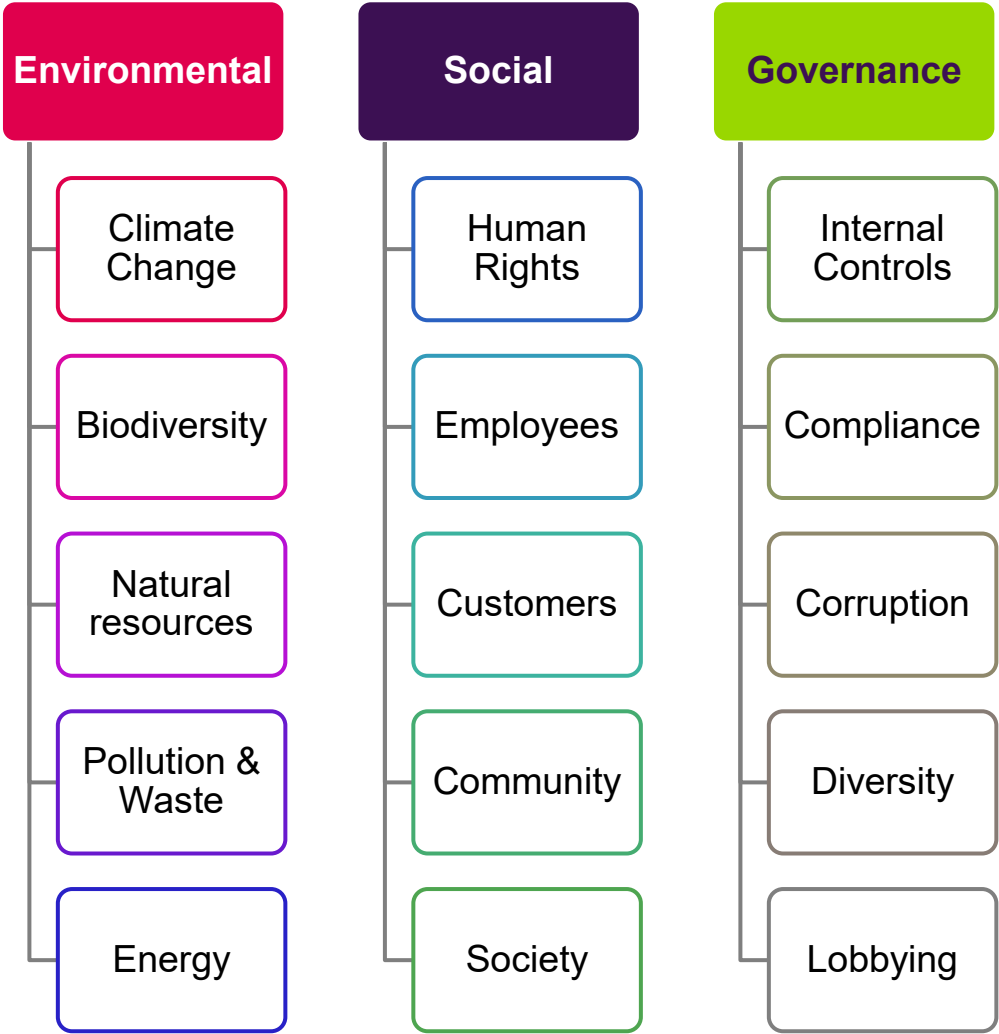
What is sustainability?



“Meeting the needs of the present without compromising the ability of future generations to meet their own needs”

- United Nations Brundtland Commission (1987)

Environmental, Social and Governance

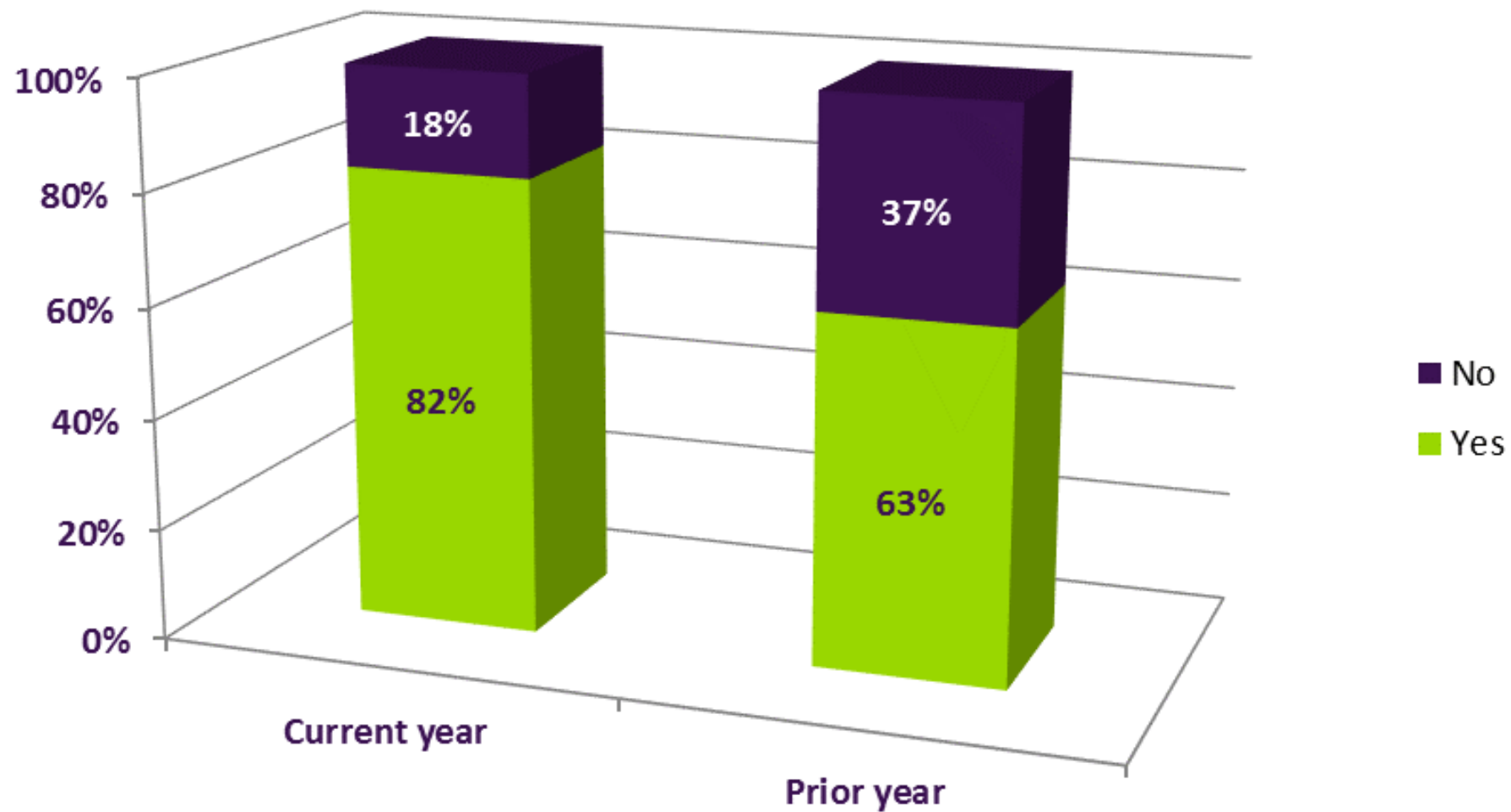


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ESG Policies



Credit Unions with a Climate Change/ESG Policy



What is an ESG Policy?

SHORT ANSWER: A document that outlines an your CU's approach to ESG.

Setting ESG goals is one thing; devising a strategy to achieve them is another.



ESG policy vs. ESG Framework

Are ESG policies and ESG frameworks the same?

Not quite.

ESG policy

Term used to describe your documented approach to ESG issues.


ESG framework

Applies to reporting your ESG performance and also refers to standardised frameworks

Why do you need an ESG Policy?

Amendment to the Credit Union Act 1997 included an ESG policy for the first time.

An ethos that prioritises ESG is:



Recognised as being
the right thing to do

Acknowledged as sound
commercial sense –
member perception and
trends towards ESG
disclosures

A dedicated strategy for
tackling your ESG
challenges and
evidencing your progress
is vital

Vague aspirations and ill-defined aims do not lead to tangible success. You need to set clear and measurable objectives and implement an ESG policy that defines and guides the path to success!

Once your Credit Union realises the need for stated ESG policies, the question swiftly follows...

How do I write an ESG Policy?

Components of an ESG Policy



Environmental Factors

- Corporate use of pollutants or renewable energy
- Carbon and sustainability reports you produce
- Increasing sustainability in your supply chain investment strategies



Social Factors

- Approach to inclusion and diversity
- Your pay and rewards policies
- Executive compensation
- How you impact the communities in which you operate

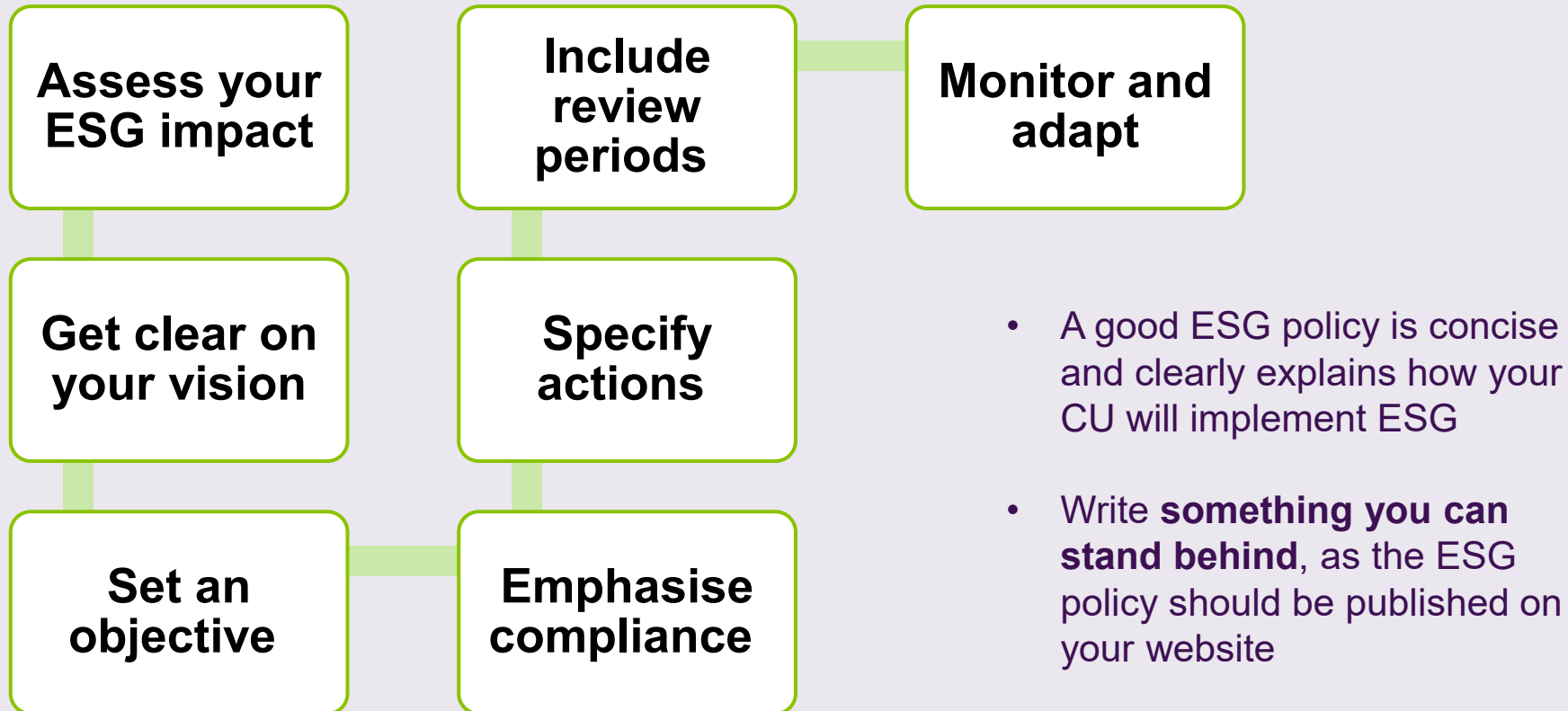


Governance Factors

- Crafting **governance-related** ESG policies may be less obvious but essential to a comprehensive ESG strategy

Writing an ESG Policy

Writing an ESG policy is both an art and a science.



Best Practice for Strong ESG Policies

1. Set clear policies

- A systematic and inclusive approach is the key here
- Involve the people responsible for managing the process in question
- Work through the stages to identify pain points and essential steps to capture

Best Practice for strong ESG Policies (Cont.)

2. Bring diverse views to the policy-making table

- Bring diverse views to the policy-making table
- It is valuable to bring individuals from various races, genders, sexual orientations, beliefs, cultures, socioeconomic strata, etc.

Best Practice for strong ESG Policies (Cont.)

3. Document your policies

- With newer concepts like ESG, some organisations can be slow to capture policies in a formal document
- You need to ensure they are clearly understood, measurable and transparent

Best Practice for strong ESG Policies (Cont.)

4. Review and reassess policies regularly

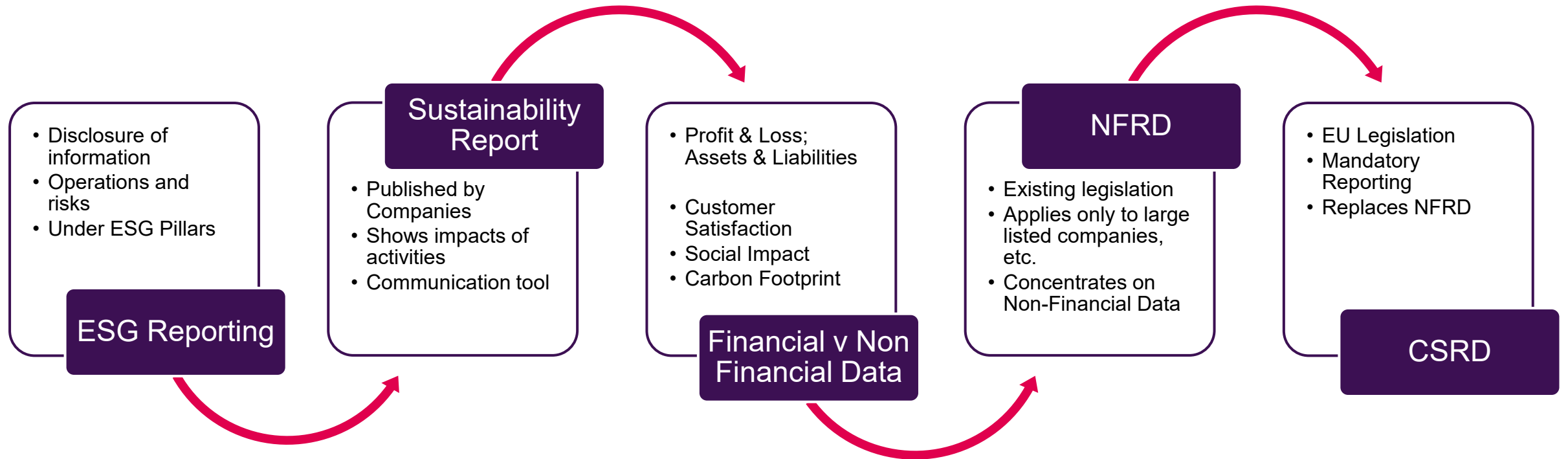
- Review and reassess policies regularly
- External regulatory and legislative imperatives will likely develop quickly



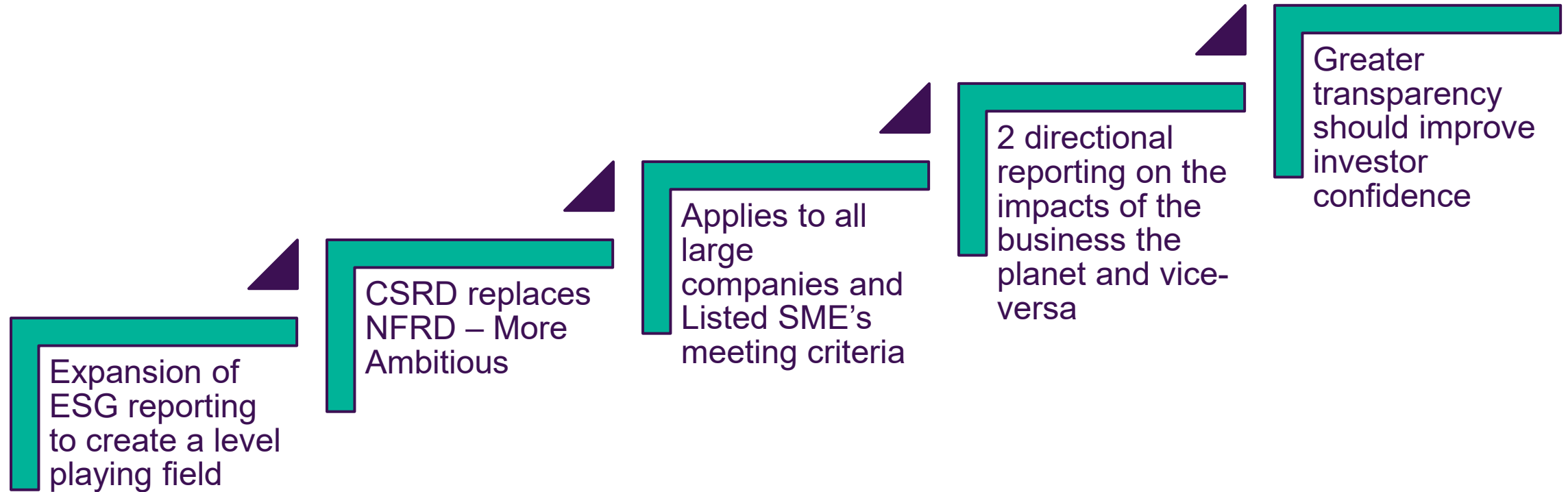
Green Reporting – Corporate Sustainability Reporting Directive (CSRD)



ESG and ESG Reporting



What is CSRD?



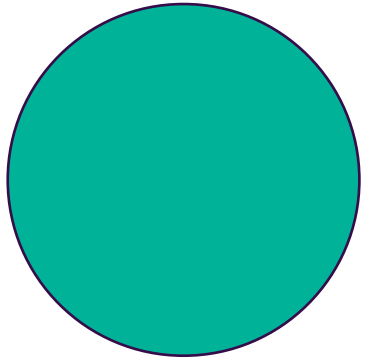
Next Steps for CSRD Reporting

On February 26 2025, the European Commission (EC) unveiled its “Omnibus” proposals.

The Omnibus proposals are also **aiming to reduce the administrative burden on businesses** because of sustainability reporting.

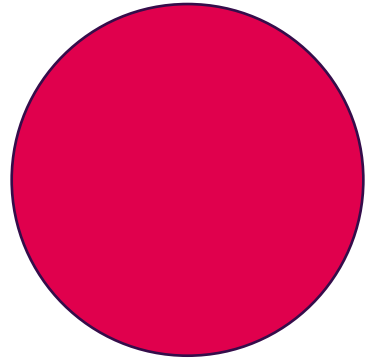
...So What's Changing?

Proposed changes

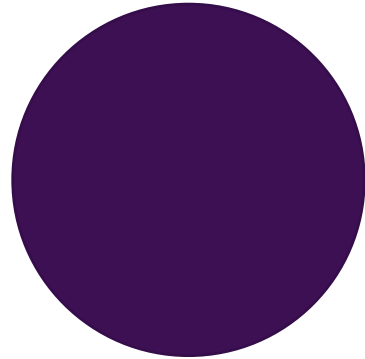


Reduction in Scope of Reporting EU companies

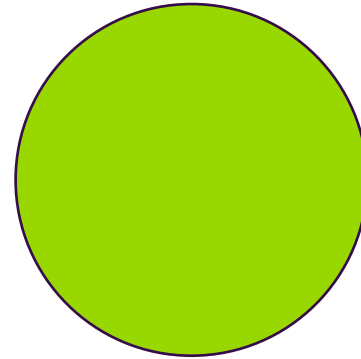
>1,000 employees, and
turnover >€50m, or
balance sheet >€25m



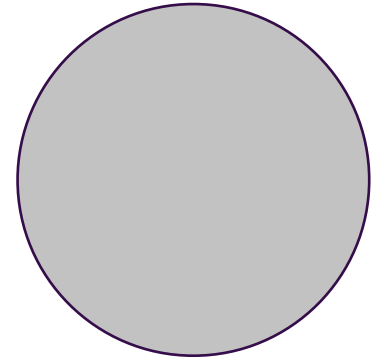
Postponement of Reporting Deadlines



Introduction of a Value Chain Cap



Exemption for SMEs



Streamlining of European Sustainability Reporting Standards (ESRS)

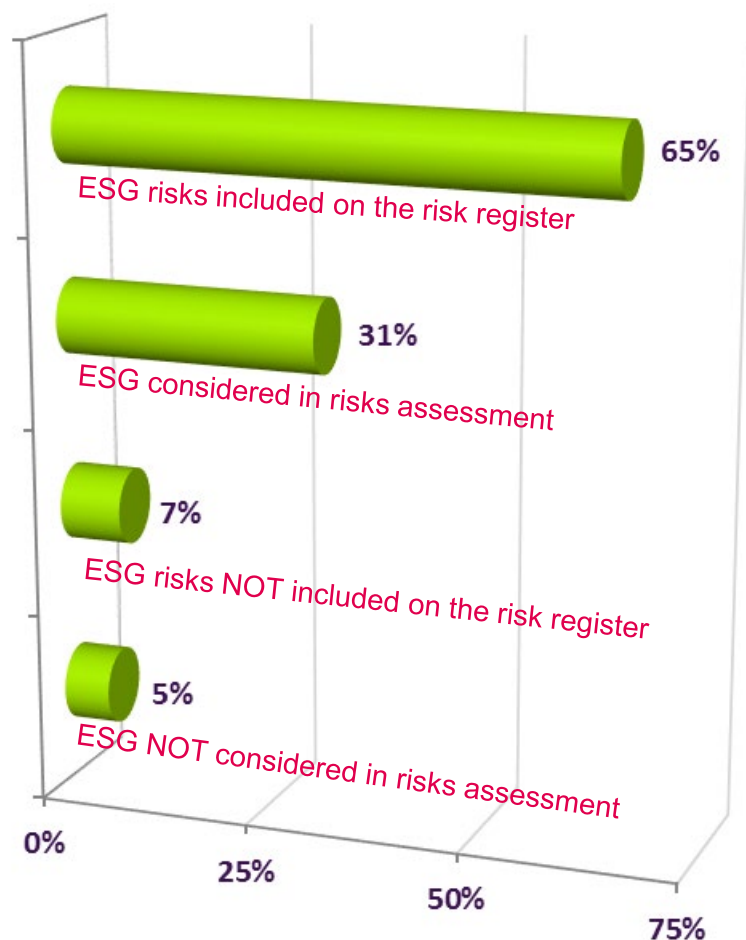


The logo consists of the letters 'R', 'B', and 'K' in a bold, bright green font. Each letter is separated from the others by a thin vertical white line. The background of the slide features a green and blue gradient with various hexagonal icons representing environmental and social themes, such as recycling, a location pin, a solar panel, and a globe. A hand is shown holding a small globe of the Earth, with a green plant sprouting from the top. The right side of the slide has a solid blue vertical bar.

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Practical Examples of ESG Reporting

ESG / Climate Change & Risk



- ✓ **80%** have considered the impact of climate-related and environmental risks on Business Continuity and Operational Risk
- ✓ **49%** have included adoption of a business strategy and risk management approach that supports the monitoring and controls of ESG risks, including targets and limits, in their Strategic Plan
- ✓ **24%** have performed scenario testing in order to effectively plan whether they are exposed to a climate-related or environmental risk
- ✓ **29%** have included climate-related and environmental metrics as key risk indicators in their risk appetite statement

Practical Examples of ESG Reporting

The companies and sectors, under the pillars of ESG, we are going to walk you through are:

- A local CU: key initiatives and aims for Climate and Environment
- AIB plc: Environment, Social and Governance
- Davy Group: Social priorities
- Danske Bank: ESG KPI reporting
- Generali Group: Strategic priorities for Climate Change, Demographics and Workforce transformation
- Barclays Bank: risks and opportunities from Climate and Sustainability initiatives
- Glanbia plc: impacts, risks and opportunities for Environment, Governance and Social

Examples from a CU Annual Report

Climate Report



As a community-based Credit Union, our commitment has always been to provide for a better today and an even better tomorrow for our members and our community.

We have seen some CU's provide some very good ESG and Sustainability updates in their Annual Report:

Use of a Climate Report and an update on their 'Climate Action Report'. This provides examples of where the CU has (in your own words) *"the actions we have carried out that will aid our climate"*.

Initiatives include:

The CU also highlighted that they are proud to be amongst a group of Credit Unions who have been appointed as UN Sustainable Development Goal (SDG) Ambassadors



Installation of solar panels,

Partnering with Biodiversity Ireland, Cloudforests Ireland & Bee8,



Reduced the use of paper and sustainability initiatives implemented around the office.

Emailing the Annual Report to members instead of printing and posting

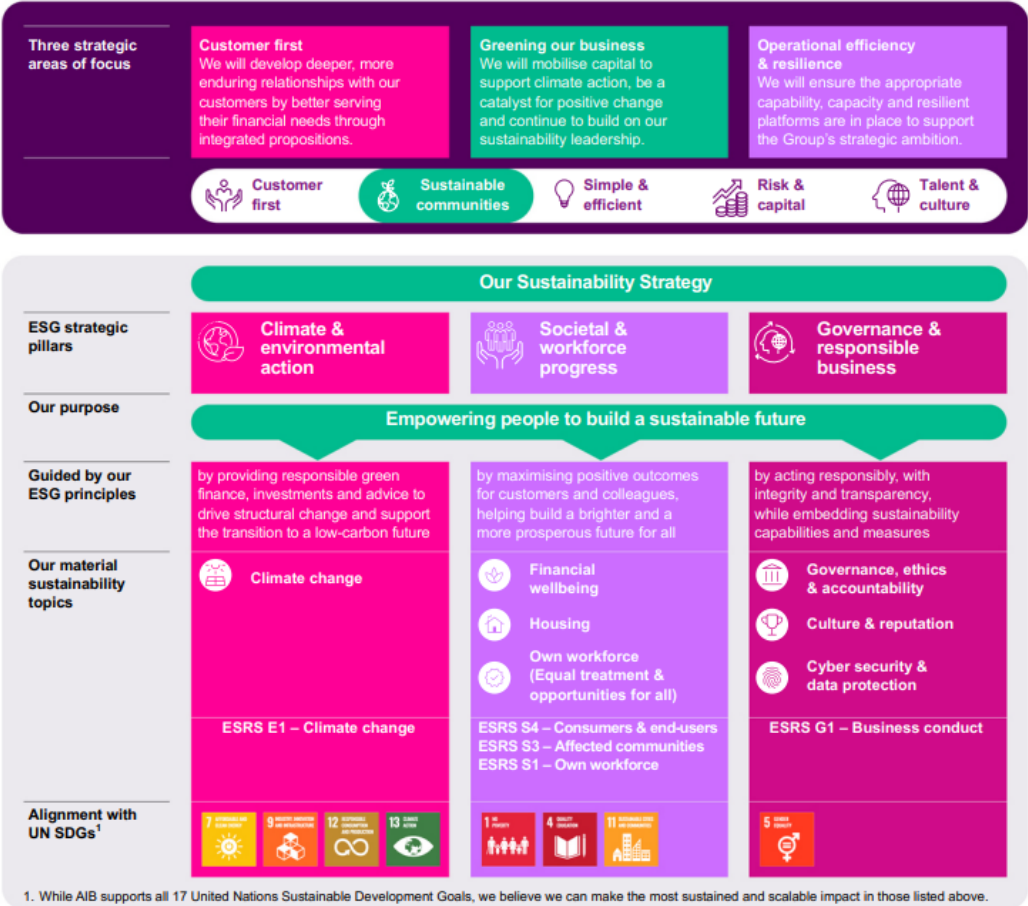


Examples from Irish Banking Sector



Here we have a snip/extract from the AIB 2024 Annual Report. Contained within this is an outline of their three strategic areas of focus, which could be a good example for your CU and how to show value for your members.

As you can see, they have built this section around the three pillars of ESG.



Examples from Irish Banking Sector (Cont.)



Here we have some snips from the Davy Group, recently reported in April 2025, ‘Sustainability Commitments’.

Davy outline their commitment to support global and national efforts to build a more sustainable and equal society.

They have outlined the above by reporting their Priorities (across their governance, purpose, values and strategic priorities) and their Commitments (across transition, operations, social and reporting goals).

Priorities

At Davy, we are committed to supporting global and national efforts to build a more sustainable and equal society. This commitment is embedded across our purpose, values and strategic priorities. It also now embeds in our governance.



Good Health & Wellbeing

Goal #3



Gender Equality

Goal #5



Decent Work & Economic Growth

Goal #8



Industry Innovation & Infrastructure

Goal #9



Responsible Production & Consumption

Goal #12



Climate Action

Goal #13



Partnerships for the Goals

Goal #17

Examples from the European Banking Sector

Danske Bank

Looking now to the European banking sector. Firstly, we look at Danske Bank. Danske have outlined on their website their strategic direction in regards to their sustainable transition and strategic focus to create lasting value for their customers, business and for society (i.e. tying in ESG). sustainable targets (across Climate Change, Nature & biodiversity and Human Rights & Social Impact) and their Enablers. The extract below is their KPI reporting in relation to ESG (under Climate change for Financial emissions baselines, targets and 2024 status within lending.

Financed emission baselines, targets and 2024 status within lending

Sector	Target description	Metric	Emission scope	Baseline year	Baseline value	2024 status	Target	Target year	Target-setting methodology and benchmark**
Shipping	Achieve 0% difference in Poseidon Principles alignment score	Alignment delta	Scope 1 and upstream scope 3	2020	25.8%	2023: 25.7%	0%	2030	SDA/Poseidon Principles/IMO 'striving for' curve
Oil and gas - exploration and production	Reduce absolute emissions by 50%	Financed emissions million tCO ₂ e	Scope 1, 2 and 3	2020	5.0	1.3	2.5	2030	SBTi absolute contraction approach
Oil and gas - downstream refining	Reduce absolute emissions by 25%	Financed emissions thousand tCO ₂ e	Scope 1, 2	2020	115.8	101.2	86.8	2030	SBTi absolute contraction approach
Oil and gas - downstream refining	Reduce emission intensity by 25%	gCO ₂ e/MJ	Scope 3	2020	70.9	58	53.2	2030	SBTi absolute contraction approach
Power generation	Reduce emission intensity by 50%	kgCO ₂ e/MWh	Scope 1	2020	108.4	56.5	54.2	2030	SDA/SBTi (world) 1.5°C scenario
Steel	Reduce emission intensity by 30%	tCO ₂ e/t	Scope 1, 2	2020	1.17	0.64	0.82	2030	SDA/TPI (world) 1.5°C scenario
Cement	Reduce emission intensity by 25%	tCO ₂ e/t	Scope 1, 2	2020	0.64	0.60	0.48	2030	SDA/SBTi (world) 1.5°C scenario
Agriculture*	Reduce emission intensity by >30%	tCO ₂ e/mDKK	Scope 1	2020	25.8	23.9	18.1	2030	Danish national sector target/ SBTi FLAG tool
Commercial real estate - Nordic portfolio	Reduce emission intensity by 55%	kgCO ₂ e/m ²	Scope 1, 2	2020	13.5	12.5	6.1	2030	SDA/SBTi (company) 1.5°C scenario scope 1
Personal mortgages - Nordic portfolio	Reduce emission intensity by 55%	kgCO ₂ e/m ²	Scope 1, 2	2020	19.1	16.6	8.6	2030	SDA/SBTi (company) 1.5°C scenario scope 1

*Agriculture is a new target added in 2024.

**SDA: Sector Decarbonisation Approach

TPI: Transition Pathway Initiative

Examples from the European Banking Sector (Cont.)



Another European banking heavy weight, are Generali Group. Within the Sustainability section of their website, they have outlined:

- their Strategic Priorities (climate change, demographic change and workforce transformation)
- their responsible roles (investor, insurer, employer and corporate citizen)
- Sustainability in Generali through Responsible Business, Data & Performance and Commitments to the Environment & Climate.

Our strategic Priorities



Climate
change →



Demographic
changes →



Workforce
transformation →

Our responsible roles

Responsible Investor

Our commitment to integrating ESG criteria, reducing GHG emissions of our investment portfolio, and increasing new and green sustainable investments.

[READ MORE →](#)

Responsible Insurer

Our commitment to offering insurance solutions with ESG components, reducing GHG emissions from the underwriting portfolio, and supporting the sustainable transition of SMEs.

[READ MORE →](#)

Responsible Employer

Our commitment to promote diversity, equity, and inclusion in our work environment, upskill our people, nurture talent in all its forms, and implement more flexible and sustainable ways of working while measuring, reducing, and reporting the carbon footprint resulting from our own direct operations.

[READ MORE →](#)

Responsible Corporate Citizen

Our commitment to unlocking the potential of people living in vulnerable circumstances through the global initiatives of The Human Safety Net Foundation.

[READ MORE →](#)

Examples from the UK Banking Sector



Next we look to the UK banking sector, and Barclays PLC Bank. Within their annual report for 2024, they have outlined their 'Climate and Sustainability report'. While this report is some 77 pages long and is too much for a CU, it does give great detail on their strategy, targets and progress to date.

Their report also outlines:

- The risks and opportunities they see from Climate and Sustainability initiatives.

Risk and opportunities (continued)

TCFD Strategy Recommendation A

The Climate Risk Framework is reinforced by policies, standards and guidelines which contain control objectives and requirements that must be adhered to by different teams across business lines and risk management departments. Barclays' approach and framework undergoes regular reviews and updates – including changes to the risk taxonomy, definitions and methodology – to align with changing regulatory expectations and external developments.

The potential impacts of physical and transition risk drivers will vary across Barclays' portfolios depending on composition, industry, geographic location, business operations and other contextual factors. The tables below set out the example drivers, example potential impacts and expected time horizons of various physical and transition risks in accordance with the TCFD categories.

+ Further details on how Barclays manages climate risk can be found on [pages 284 to 286](#)

Transition risks	Policy and legal	Reputation	Technology	Market
Example drivers	<ul style="list-style-type: none">• Carbon tax impacting sectors and clients• Enhanced GHG reporting obligations• Government and non-governmental organisations taking litigation actions	<ul style="list-style-type: none">• Increased stakeholder concern or negative stakeholder feedback• Shifts in consumer preferences• Stigmatisation of sectors	<ul style="list-style-type: none">• Disruptive substitute technologies being favoured because of low carbon footprint• Development of emissions capture and recycling facilities• Investments in energy efficient products	<ul style="list-style-type: none">• Changes in supply and demand of raw materials• Uncertainty in market signals• Changing market sentiment
Example potential impacts	<ul style="list-style-type: none">• Increased operating costs and expenses to comply with new regulations• Write-offs and early retirement of assets due to policy changes• Increased costs associated with litigation actions	<ul style="list-style-type: none">• Increased costs and reduced demand for products and services• Decreased production capacity due to poor employee attraction and retention• Reduction in capital availability	<ul style="list-style-type: none">• Write-offs and early retirement of carbon-intensive assets• Research and development expenditure in new technologies• Costs for adoption of new practices and processes	<ul style="list-style-type: none">• Increased costs and reduced demand for products and services• Increased production costs due to changing input prices and output requirements• Decreased revenue and repricing of assets
Expected time horizons	S, M, L			
Physical risks	Acute		Chronic	
Example drivers	<ul style="list-style-type: none">• Damage to fixed assets and infrastructure (e.g. property, power supplies) by wildfires• Adverse impact on agriculture and production of soft commodities due to drought• Transport difficulties and damage to infrastructure due to severe storm and flooding		<ul style="list-style-type: none">• Change in weather and precipitation patterns resulting in reduced agricultural yields and land no longer suitable for farming• Potential population migration due to uninhabitable land• Increase in sea levels and consequent coastal erosion requiring building of new seawall and flood defences• Rising temperatures resulting in diminished productivity and health issues	
Example potential impacts	<ul style="list-style-type: none">• Increased costs due to damage to facilities and potential devaluation of properties• Reduced revenue from decreased production capacity• Increased operating costs and decrease in sales due to unavailability of raw materials and supply chain disruptions		<ul style="list-style-type: none">• Reduced revenue from decreased production capacity and early retirement of assets• Decrease in property values• Increased costs and insurance for assets in high-risk locations• Reduced revenue from lower sales and output	
Expected time horizons	S, M, L		M, L	

Examples from outside the Financial Sector



Glanbia plc have recently published their Sustainability Report 2024. Their report is named “Focused on delivering sustainable growth”.

Within this, they have broken down their report into:

- General information (incl governance, strategy, value chain & double materiality assessment)
- Planet (climate change, water & marine resources and resource use circular economy)
- People (own workforce, workers in value chain and consumers)

Training & skills development and working conditions

Glanbia seeks to be an employer of choice and to provide a safe and attractive work environment for our employees during all stages of their career.

Impacts, risks and opportunities

Impact:
Training and skills development.

Description: By providing attractive training and development opportunities that help our employees realise their potential and ambitions, we have a positive impact on our workforce improving employee job satisfaction and a sense of belonging.

Type: Actual, Positive
Location: Own operations, upstream¹
Time horizon: Short-term

Impact:
Employee wellbeing.

Description: The ability to provide flexible working arrangements and worker benefits, such as family leave, positively impacts worker wellbeing, leading to lower turnover rates and increased employee satisfaction. This support reduces stress, burnout, and the challenges of managing personal and professional responsibilities, ultimately positively affecting employees' overall health and wellbeing.

Type: Potential, Positive
Location: Own operations, upstream¹
Time horizon: Short-term

Impact:
Adequate wages.

Description: The impact of ensuring employees are part of a safe and fair working environment with transparent and regulatory compliant employment terms and benefits. Achieved by paying a wage that is fair and upholds the principle of a fair wage for the value of work performed. This includes paying a remuneration package that meets or exceeds the statutory minimum requirements aligned to the industry standards for the markets we operate in supporting a reasonable standard of living.

Type: Actual, Positive
Location: Own operations, upstream¹
Time horizon: Short-term

Impacts, risks and opportunities management

Management of our impacts is key to ensuring that we have the workforce we need to achieve our business ambitions.

To effectively manage our impacts on our employees, we have an established governance oversight

Performance, skill, and talent management is handled locally where managers are encouraged to keep an open dialogue with employees and to continually assess the need for training. Management of our working conditions, specifically relating to adequate wages, is supported by local and centralised payroll and rewards processes.

Policies

in our Code, within the sections 'We comply with all applicable laws' and 'Health and wellbeing', which includes an associated training module, assigned to all employees within the Group.

Development

Glanbia's Development Policy is focused on our commitment to nurture talent and provide an environment whereby employees can fulfil their career aspirations and potential.

This is underpinned by the principle of equal treatment and opportunity so that all employees have access to learning and development regardless of background or personal circumstance. We foster a culture of continuous learning through formalised learning structures while the established performance development systems ensure we track progress, celebrate success and support our career progression strategy.

- Key commitments of our policy include:
- Support and promote the development of all employees through education and training;
 - Enable our people to gain the skills, leadership capabilities and career pathways to be future-ready;
 - Embed our career growth tools including 'MyLearning' and 'MyCareer' to optimise learning and development opportunities;
 - Continuously strive for equitable access to career progression opportunities free from discrimination and bias; and
 - Engage in talent and succession planning to identify high performing talent and support their career progression to accelerate their development with Glanbia.

Implementation of our training and development policies is underpinned

Key Takeaways

Understand ESG

If you do not have a current ESG policy, start the process

If you have a ESG policy, update it regularly using best practice processes

Understand CSRD and plan for reporting (even though this is unclear for CU's currently)

There is lots of great information out there for you to help you with ESG reporting

If you need any assistance, please don't be afraid to reach out to us



**Please Put
Questions In
Menti-Meter for
Panel Discussion**



Thank you



We're by your side

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