

Takeaways: Modern Challenges Collide with Traditional Policy, Legal, Compliance and Risk Functions

January 16, 2020 Roundtable Discussion

On Thursday, January 16, 2020, FiscalNote and DaVita co-hosted a corporate sustainability and ESG roundtable in Denver. We'd like to specifically thank our partners Joe Kennedy, TransPerfect/Her Justice and Britton Nohe-Braun, Dentons for their vital role in developing this program. The event discussed the role legal, compliance, and government affairs professionals have in building and protecting business and reputations. It also examined challenges in meeting broader public commitments on corporate sustainability and ESG.

The event kicked off with brief introductory remarks from Dave Curran, Senior Vice President & Chief Business Officer at FiscalNote; Andrew Mohraz, Head of Investigations and Associate General Counsel at DaVita; and Amy Barasch, Executive Director at Her Justice. These discussions are off-the-record, meaning only those interested in receiving attribution for their comments are named in this takeaway.

A number of the participants voiced concern with how to deal with the new world order associated with **Sustainability as Superlaw**. The notion is that non-legal social commitments are becoming self-imposed obligations that fly higher than some legal requirements. Yet in-house groups don't have the budget, people, processes and technology to meet new demands. The group discussed ways to address these gaps and better connect in-house groups to help build business and mitigate risk. The key issues identified across organizations and what can be done to make an impact and mitigate them are addressed on the following page.

Quotes of the Day

- "Education and transparency around realistic process gets you a seat at the table"
- "What gets them in trouble is the cover up, not the crime."
- "What is the right thing? How do you build consensus on values?"
- ESG is a lynchpin of marrying business strategy, stakeholder priorities, ranking systems, and ethics.

Issues Identified Across Corporations

- **Lack of transparency impacts shareholder return and consumer image:** Lawyers are taught to protect and hide information from the broader public at all costs, so transparency contradicts deeply-rooted and outdated business practices.
- **Different definitions of the “right thing”:** Boomers and Millennials have different definitions of what the ethical or decent way to move forward is. Millennials are more likely than Boomers to view ESG as an affirmative obligation on companies.
- **Lack of Diversity and Inclusion:** Talking about diversity and inclusion isn't going to change anything. There needs to be a plan to change old habits with stakeholders buy-in.

What Can You Do To Make An Impact Today?

- **A top down value proposition incentivizes doing the “right thing:”** it needs to resonate with each employee. Otherwise, priorities such as sales metrics and KPIs will take priority.
- **Diversity & Inclusion:** Corporations need to execute on the agreement that D&I is good for the bottom line (i.e. we need more women and diversity in management).
- **Proactive disclosure:** Corporations are experiencing an unprecedented amount of pressure from NGOs and the public to disclose climate impact data. It's important to have processes to collect and distribute credible data to the public before third-party watchdogs disclose this information without the company's input or all relevant facts.
- **Single system/dashboard of data & better data collection:** To measure progress against sustainability and ESG commitments, corporations must collect credible data across multiple teams and store it in a single actionable dashboard.
- **Alignment and communication across interdisciplinary teams:** Companies must pull together regular conversations across multiple teams to be better aligned on ethics, such as D&I, and streamline data management across them.

The discussion closed with Curran summarizing the key takeaways and thanking attendees for their thoughtful comments. The next sustainability and ESG roundtable discussion will take place on January 28th in Washington DC at S&P Global, in partnership with Meridian International Council. Please email FNEI@fiscalnote.com for more information.

Resource Highlights

Check out these tools for more information about global emerging risks:

- **National Intelligence Council** - [Global Trends Paradox of Progress](#)
- **World Economic Forum** - [The Global Risks Report 2020](#)