CMAA

Co

Examples of environmental factors that can be ESG criteria include the following:

- Energy consumption and ef fciency
- Water consumption and ef fciency
- Carbon footprint, including greenhouse gas emissions
- Waste management
- Air and water pollution
- Biodiversity loss (the reduction of plant and animal species)
- Deforestation
- Natural resource depletion

Social

Social factors address how a company treats different groups of people, such as employees, suppliers, customers, community members, and more. Examples include:

- Fair pay for employees, including a living wage
- Diversity, equity, and inclusion (DEI) programs
- Employee experience and engagement
- Workplace health and safety
- Data protection and privacy policies
- Fair treatment of customers and suppliers
- Customer satisfaction levels
- Community relations and local impact
- Funding of projects or institutions that help underserved communities
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In the United States, current regulations in ESG reporting opportunities, including those related to resource efficiencies and alternative energy sources. The TCFD framework has been endorsed and incorporated into mandatory reporting regimes by EU, United Kingdom, and Hong Kong regulators.

Other Frameworks: Other ESG disclosure frameworks have gained traction among market participants, including the Global Reporting Initiative ("GRI"). Some of these standard-makers approach the concept of materiality in ways that are notably different from the SASB and TCFD, whose frameworks focus on information they consider to be financially material (though both recognize that issuers are best positioned to determine which standards are financially material to their business and which associated metrics to report). In contrast, the GRI, whose framework covers labor and human rights issues, effects on biodiversity, and energy use and reduction, assesses materiality based on impacts made by issuers on the economy, environment, and society.

Since various standards cover overlapping ESG topics but outline disparate disclosure requirements, there has been an ongoing effort to align across standards concerning specific categories of ESG disclosures.

United States Federal Level ESG Requirements

Federally, the Securities and Exchange Commission (SEC) in the United States has not issued specific guidelines solely dedicated to Environmental, Social, and Governance (ESG) reporting. However, the SEC requires public companies to disclose material information that could impact investors' decisions, which may encompass ESG factors if they are deemed material to investors. The SEC's approach to ESG reporting has been evolving, with increased attention in recent years due to growing investor demand for such information.

While the SEC has not mandated specific ESG reporting standards, it has indicated an interest in enhancing disclosures related to climate change, human capital management, and other ESG factors. This interest has been demonstrated through public statements, requests for comments, and the forming of a Climate and ESG Task Force within its Division of Enforcement to identify

To further standardize ESG reporting, the EU has supported the development and adoption of globally recognized reporting frameworks such as the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB). These frameworks provide guidelines and standards for reporting various sustainability topics, helping companies align their disclosures with international best practices.

By promoting the adoption of common reporting frameworks and introducing regulatory initiatives like the NFRD and potentially the CSRD, the EU is working to standardize ESG reporting practices across its member states, enhancing transparency, comparability, and accountability in corporate sustainability disclosures.

Future of ESG Reporting Framework

The future of Environmental, Social, and Governance (ESG) reporting in the USA is likely to be shaped by several key factors:

1. Regulatory Developments: There is growing momentum for more standardized and comprehensive ESG reporting regulations in the USA. The Securities and Exchange Commission (SEC) has shown interest in enhancing ESG disclosures, and there may be future rulemaking or guidance to clarify reporting requirements. The USA could also adopt or adapt international standards, such as those proposed by the International Financial Reporting Standards (IFRS) Foundation, to promote consistency and comparability in ESG reporting.

2. Investor Demand: Investors increasingly consider ESG factors in their decision-making processes, recognizing the importance of sustainability and responsible corporate behavior. As investor demand for ESG information rises, companies may face more pressure to disclose relevant ESG data to meet investor expectations and attract investment.

3. Voluntary Reporting Frameworks: While mandatory regulations may drive ESG reporting requirements, voluntary frameworks like the Sustainability Accounting Standards Board (SASB), the Task Force on Climate-related Financial Disclosures (TCFD), and the Global Reporting Initiative (GRI) will likely continue to play a significant role. These frameworks guide ESG disclosure best practices and can help companies align their reporting with investor preferences and industry standards.

4. Stakeholder Engagement: Companies increasingly recognize the importance of engaging with stakeholders, including customers, employees, communities, and regulators, on ESG issues. Meaningful stakeholder engagement can help companies identify material ESG topics, prioritize initiatives, and enhance the credibility of their ESG reporting efforts.

Overall, the future of ESG reporting in the USA is likely to lead to more standardized, transparent, and comprehensive ESG disclosures by companies across various industries.

Several CMAA members have already established ESG programs and developed ESG reports. **This list includes brief descriptions of their programs to serve as examples for other CMAA members to consider in developing their ESG programs and reports.** The descriptions are from publicly available documentation from each organization's websites and ESG reports. The list is shown alphabetically for each category of Private and Public Sector Organizations.

EXISTING ESG PROGRAMS OF CMAA MEMBERS

AECOM

AECOM has made significant strides in integrating ESG principles into its operations. Their sustainability

Arcadis

Arcadis prioritizes green building practices and projects that lead to positive environmental outcomes.

Environmental

Green Building Practices: Arcadis is a sustainable design and construction leader. The company employs green building practices, including energy-efficient designs, sustainable materials, and innovative technologies. These practices help reduce the environmental footprint of their projects. For instance, Arcadis incorporates features such as green roofs, rainwater harvesting systems, and high-performance insulation in their building designs to enhance energy efficiency and resource conservation (Arcadis, 2023).

Environmental Impact Projects: Arcadis undertakes projects to improve environmental outcomes. This includes restoring natural habitats, developing sustainable urban infrastructures, and implementing water management solutions. Arcadis's projects often focus on reducing carbon emissions, enhancing biodiversity, and promoting the sustainable use of resources. These initiatives are critical for mitigating climate change impacts and protecting the environment for future generations (Arcadis, 2023).

Social – Arcadis emphasizes Diversity, Equity, and Inclusion (DEI) and community engagement as part of its social responsibility framework.

Diversity, Equity, and Inclusion (DEI): Arcadis has robust DEI programs designed to create a more inclusive and equitable workplace. The company's DEI strategies include targeted recruitment efforts to ensure a diverse workforce, ongoing training programs to raise awareness about unconscious bias, and leadership development opportunities for underrepresented groups. By fostering an inclusive culture, Arcadis enhances employee satisfaction and retention and drives innovation and creativity within the organization (Arcadis, 2023).

Community Engagement: Active engagement with the communities where Arcadis operates is a core component of its social strategy. The company collaborates with local stakeholders to understand their needs and involve them in project planning and execution. Arcadis supports various community initiatives, such as educational programs, volunteer activities, and infrastructure improvements. These efforts help build strong relationships with local communities and ensure that projects deliver tangible benefits to those most affected by them (Arcadis, 2023).

Governance – Arcadis upholds high governance standards to ensure transparency, accountability, and ethical business practices.

Transparency in Reporting: Arcadis ensures transparency through detailed ESG reporting, providing

JLL

JLL integrates ESG principles into its real estate services to create sustainable and resilient buildings. The company's comprehensive approach to ESG encompasses environmental stewardship, social responsibility, and strong governance practices, making JLL a sustainable real estate management leader.

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include volunteering, sponsorships, and partnerships that address critical community needs. These initiatives help build strong relationships with local communities and demonstrate JLL's commitment to social responsibility and community development (JLL, 2022).

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JLL. (2022b). Global Sustainability Report 2021. Retrieved from https://www.us.jll.com/content/dam/jll-com/documents/pdf/other/jll-global-sustainability-full-report-2021.pdf

Land Sterling

Land Sterling's ESG efforts aim to enhance environmental performance and promote social well-being. The company's comprehensive approach to ESG encompasses sustainable property management, community initiatives, and strict governance standards.

Environmental - Land Sterling implements sustainable property management and development practices to minimize environmental impact and promote resource ef fciency. ḍ vio Πsme f } ᴴ ḷ p я ȝ " onfp

Land Sterling. (2024). ESG and Its Effects on Real Estate Investing. Retrieved from https://landsterling.com/esg-and-its-effects-on-real-estate-investing/

Parsons

Environmental - Parsons invests in energy-efficient technologies and sustainable infrastructure to minimize environmental impact and promote resource efficiency.

Energy-Efficient Technologies: Parsons implements advanced energy-efficient technologies across iQHUJHIIFLHQW3URMHFWV6RPH3URMHFWV&RQWDLQ&RQILGHQWLDO,QIRUPDWLRQ6R3OHDVH'RQRW6KDUH

Ethical Business Practices: Parsons has established strong governance structures to ensure ethical business conduct. The company's code of ethics outlines expectations for ethical behavior and compliance with legal and regulatory requirements. Parsons' ethics program includes regular employee training, mechanisms for reporting unethical behavior, and strict enforcement of ethical policies. By fostering a culture of integrity, Parsons ensures that its operations align with its values and commitments to stakeholders (Parsons, 2023).

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Los Angeles World Airports (LAWA) PUBLIC SECTOR

Los Angeles Community College District (LACCD) PUBLIC SECTOR

The Los Angeles Community College District (LACCD) integrates ESG principles to promote sustainability and social equity. LACCD demonstrates a solid commitment to environmental stewardship, social responsibility, and governance excellence through its comprehensive approach.

Environmental - The Los Angeles Community College District (LACCD) integrates ESG principles to promote sustainability and social equity. LACCD demonstrates a solid commitment to environmental stewardship, social responsibility, and governance excellence through its comprehensive approach.

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Summary of ESG Goals by Organization

Summary of ESG Goals by Organization

Organization	Environmental	Social	Governance
	Sustainable property management, reducing environmental impact through efficient resource use and sustainable practices.	DEI, supporting community initiatives and development projects.	Strict governance standards, maintaining elevated levels of accountability and transparency.
Parsons	Energy-efficient technologies, sustainable infrastructure projects, reducing carbon emissions, and resource consumption.	DEI, local community support, and engagement programs.	Transparent ESG reporting, ethical business practices, fostering a culture of accountability.
	Carbon footprint reduction, enhancing resource efficiency, promoting sustainable construction practices.	DEI, engaging with communities through social development and support programs.	Robust governance frameworks and transparent and accountable reporting practices.

Key Performance Indicators (KPIs) for ESG

These KPIs provide a comprehensive framework for tracking and improving the sustainability performance of construction management frms. By regularly monitoring these indicators, organizations can ensure they are making meaningful progress toward their ESG goals and demonstrating their commitment to sustainability to stakeholders.

Carbon Emissions Reduction: Measurement of the reduction in greenhouse gas emissions

Circular Economy Practices: Implementation and success of circular economy initiatives, such as recycling, reuse, and product lifecycle management

Climate Risk Assessments: Number of projects with completed climate risk assessments

Community Engagement Activities: Number and impact of community outreach and engagement programs

Community I O ц :

Key Performance Indicators (KPIs) for ESG

Stakeholder Engagement: The process by which an organization involves individuals or groups who may be affected by its decisions or can influence the implementation of its decisions, ensuring that their concerns and needs

Sustainable Materials: To minimize the environmental footprint of construction projects, use sustainable building materials, such as recycled content, low-carbon cement, and locally sourced products.