



Connect. Engage. Impact.



Annual Conference Scottsdale, AZ

Linking Tax to ESG Policymaking

October 25, 2022



Moderator



Walter B. Doggett III
SVP & Head of Tax
Arvest Bank



Amanda Iacone,
Reporter, Bloomberg
Tax & Accounting



Natalie Runyon,
Director, ESG
Content, Thomson
Reuters Institute



Victor Sturgis, CPA CCIFP
Tax Partner – ESG Leader
Crowe LLP
Victor.Sturgis@Crowe.com

Purpose of today's discussion:

How does ESG apply to Tax?

What is ESG?

ENVIRONMENTAL



How business operations impact the environment (and vice versa)

- Natural resource management - energy, materials, and product compliance
- Impact of climate change including greenhouse gas (GHG) emissions and net-zero strategies

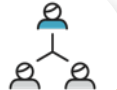
SOCIAL



How an organization's operations affect its people and communities

- Social considerations, such as human rights due diligence, labor practices, and community investments
- Human capital management including culture, training, and compensation, diversity equity & inclusion

GOVERNANCE



How a company behaves and governs

- Leadership, transparency, board diversity and ethics
- Governance considerations, such as stakeholder engagement and anti-fraud policies

ESG covers hundreds of business practices and measurements

What are the “Governance” aspects of Tax?

- Tax must be proactive!!
- Compliance with laws and regulations including corporate reporting requirements
- Alignment of tax risk management policy with overall enterprise governance strategy

What are the social considerations in Tax

- Latest policy move: Inflation Reduction ACT.
- Other examples of the “social” component in the tax code
- Balancing act: Tax efficiency vs tax revenues paid as investment in local communities
- People leader of Tax Function: Talent retention and employee wellbeing
 - Career development and upskilling
 - Diversity, equity and inclusion
 - Culture of care, fairness, respect and belonging
- Big focus at the SEC: disclosure rules on workforce management expected in the coming months
- Tax Transparency: Financial accounting rule changes could require companies to break down their largest tax payments by country or state

What are the Environmental Considerations in Tax

- Environmental implications of the IRA
 - How is IRA unique vs typical tax policy
- Latest on the SEC's climate disclosure rules
- Evolving regulatory landscape: what tax leaders need to know

What next steps should Corporate Tax Leaders take?

- Understand the ESG landscape and how it is involving for your industry to assess implications for tax and how tax reporting requires action beyond just publishing data.
- Seek out information from the head of sustainability, CFO and/or CLO to understand what frameworks your company uses to define the corporate ESG strategy.
- Support the creation of the narrative on how the corporate tax strategy fits into the corporate ESG strategy. Without a story around a tax strategy, negative assumptions by external stakeholders can be easily made.
- Align tax risk management policy (TRMP) with overall enterprise governance strategy at the board and C-level.
- Address fragmented systems to enable tax transparency.
- Identify what gaps in data and ability to easily conduct analysis and build business case for investment, in order to help address need for transparency in ESG metrics and for greater accountability across its tax practices.

Contact Us

Moderator



Walter B. Doggett III
SVP & Head of Tax
Arvest Bank



Amanda Iacone, Reporter,
Bloomberg Tax &
Accounting
aiacone@bloombergindus
try.com



Natalie Runyon, Director,
ESG Content, Thomson
Reuters Institute
Natalie.runyon@tr.com



Victor Sturgis, CPA CCIFP
Tax Partner – ESG Leader
Crowe LLP
Victor.Sturgis@crowe.com



Questions

