

2023 Weinreb Group Chief Sustainability Officer Report





TABLE OF

Contents

- 03 Introduction
- **04** Key Findings
 - 1. Sustainability continues to grow in scale and influence.
 - 2. Three factors are elevating sustainability: investors, regulation, and strategy.
 - 3. The most effective CSOs are corporate chameleons with influence, vision, and strategy.
 - 4. Women continue to rise (rapidly) as CSOs, while racial diversity (slowly) trends in a positive direction.
- 08 Looking Forward
- **08** Methodology
- 2023 Weinreb Group Chief Sustainability Officer List



Introduction

As someone who has spent the past 15 years placing chief sustainability officers (CSOs) at global companies, I'm often awed by their ability to handle whatever is thrown their way.

Today's headlines—mass layoffs, atmospheric rivers, forced child labor—may give cause for alarm. Yet I feel optimistic. These issues fall under the realm of sustainability, and business is tackling these challenges head-on. I have faith in the people who are leading the charge at most companies: the CSOs.

Over the past dozen years, Weinreb Group has surveyed this influential group of leaders at U.S. public companies¹ to understand who they are, what they do, which issues they prioritize, and the factors inside and outside business that drive their work. This year, we sent our survey to 183 people with the CSO title and received a 39% response rate.

When we published our first CSO report in 2011, the sustainability field was just emerging. At that time, only 29 people held the CSO title, and those pioneers were navigating uncharted territory. Twelve years ago, there was far less pressure from regulators, investors, and citizens for companies to address the broad array of social and environmental issues that stakeholders demand business tackle today.

Fast forward to 2023 and it's not unusual for companies to have a CSO (or someone with a different title but similar sustainability leadership responsibilities). Since 2011, when we began our CSO tally, the field has grown more than six-fold; today 183 U.S. public companies have a CSO.

This year's report, which includes the updated Weinreb Group Chief Sustainability Officer List, unpacks how the CSO position has established itself within the corporate structure. The biggest headline in 2023 is that CSOs are gaining substantial power and influence, which means the country's most prominent companies are better positioned to rise to the challenge of growing social and environmental issues.

In this report, we dive deep to understand who the CSOs are, how much sway they hold with CEOs and boards, what's driving their work, and what attributes they believe are required to do their job effectively.

To coincide with our 2023 report, we launched the <u>Weinreb Group CSO Hub</u>, a new online destination for current and future CSOs to access essential resources, thought leadership, and video interviews with CSOs from across the country. We'll be updating the CSO Hub frequently—stay tuned!

With gratitude, Ellen

NUMBER OF CSOs ON THE WEINREB GROUP CSO LIST



The number of CSOs on the Weinreb Group Chief Sustainability Officer List has grown six-fold since 2011.



Ellen Weinreb is the founder of Weinreb Group. She has 25+ years of experience working in ESG, CSR, and sustainability, with deep expertise helping leading global companies find the best professionals to fill environmental, social, and governance roles in nearly every business function.

¹ Not all companies use the title "CSO" for the person leading the sustainability function. We limited our research to U.S. based people working at U.S. publicly traded companies with the title "chief sustainability officer."



Key Findings

Our 2023 report reveals the growing power of the CSO role across U.S. publicly held companies. Today, CSOs are influencing strategic decisions in their companies and holding sway with CEOs and corporate boards. These leaders shared that as investor pressure grows alongside new sustainability regulations, companies are further aligning sustainability and corporate strategy. They also reflected on the competencies they believe make CSOs effective in their jobs. In addition to examining the external factors influencing CSOs, we looked at the changing demographics of people in this position, including the steady rise of women.

Here are our four key findings from 2023:

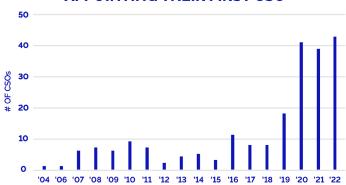


Sustainability continues to grow in scale and influence.

It may not be news that sustainability is growing, but the rapid pace of growth in the past three years is notable. Since the CSO title was first used in 2004, Weinreb Group has tracked the year companies appointed their first CSO, and it's evident from the hockey-stick trajectory between 2018 and 2020 that sustainability is a must-have for business success. In 2018, the number of companies appointing their first CSOs was eight, in 2019 it was 18, and, in 2020, that number jumped to 41.

In addition to the growing number of CSOs, their team size is also expanding. The number of CSOs' direct reports has doubled in the past 12 years, from four in 2011 to eight in 2023.

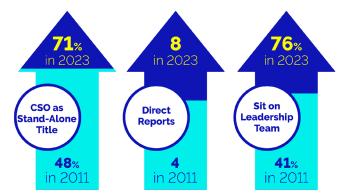
NUMBER OF COMPANIES APPOINTING THEIR FIRST CSO



The first CSO was appointed in 2004. The past three years have marked a dramatic and steady increase in the number of companies appointing their first CSO.

Survey respondents also told us that many people outside the core team do substantial sustainability work: An average of 26 employees spend at least 50% of their job on sustainability. Another key finding that indicates expanding focus is that in 2011, 48% of CSOs' titles were only CSO, while 52% had dual titles that combined CSO with another function, such as marketing, EHS, or corporate affairs. In 2023, the CSO title was stand-alone for 71% of the leaders, which indicates the need for a dedicated resource whose attention is not divided across functions.

EXPANDING LEADERSHIP FROM 2011 TO 2023



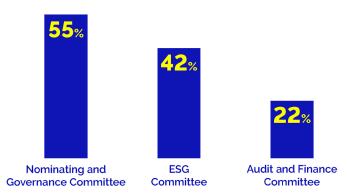
The CSO role has grown in importance since Weinreb Group started this research in 2011, as indicated by more CSOs having a singular CSO title, bigger teams, and seats on the leadership team.

Our 2023 survey also revealed that CSOs are growing in influence, especially inside companies that have integrated sustainability with corporate strategy. We found that 76% of CSOs sit on the corporate leadership team today, compared with 41% in 2011. CSOs also have significant board influence: 99% of CSOs we surveyed said they engage with the board. Only one respondent said they have little to no board engagement.

We asked the CSOs to identify which board committee they inform. The majority (55%) work with the nominating and governance committee, 42% support a stand-alone environment, social, governance (ESG) committee, and 22% work with the audit and finance committee. Several CSOs also report regularly to the full board. These findings demonstrate that sustainability has taken a seat on the board, which was unheard of 12 years ago.



PERCENTAGE OF CSOs INFORMING SPECIFIC BOARD COMMITTEES



99% of CSOs we surveyed said they engage with the board. The majority inform the nominating and governance committee, and 42% inform a stand-alone ESG committee.

CSOs WHO REPORT DIRECTLY TO THE CEO ARE TWICE LIKELY TO SERVE AS CORPORATE OFFICERS



34% of CSOs report directly to the CEO. 64% of those are corporate officers.



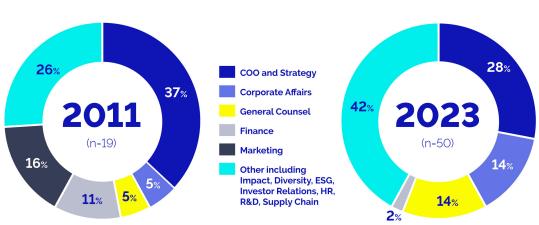
66% of CSOs are two steps to the CEO. 33% of those are corporate officers.

CSOs who report to the CEO and serve as corporate officers signal externally that they are integrated into corporate strategy and critical to the C-suite.

In our 2011 and 2023 surveys, we asked CSOs about their reporting structure. In both years, approximately one third of the CSOs reported directly to the CEO, and two thirds were two steps away from the CEO. Of those who were two steps away in 2011, 11% reported up through marketing, and 37% reported through the COO or corporate strategy team. In 2023, those who do not report directly to the CEO have more variation in where their bosses sit—ESG, diversity, investor relations, and impact—though 28% still report into the COO, and none report through marketing.

The importance of the CSO to business success also came through in a new question we asked in 2023: whether CSOs hold a position as corporate officer. Nearly half of survey respondents (43%) reported they are corporate officers, and we found a correlation between those who are corporate officers and to whom they report: CSOs are twice as likely to be corporate officers if they report directly to the CEO. These data suggest that CSOs have increased access to corporate information and an explicit obligation to manage financial risk relevant to the growth of the business.





Of the CSOs who don't report to the CEO, the most likely reporting line is up through the COO (37% in 2011 and 28% in 2023). In 2011, 16% of CSOs reported through marketing; in 2023, no CSOs report through marketing.

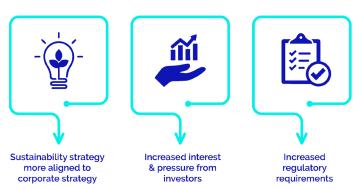


Three factors are elevating sustainability: investors, regulation, and strategy.

The growing influence of sustainability coincides with trends CSOs say are driving changes in their work. When we asked CSOs to name the top three factors shifting their work, 67% of respondents stated investor pressure, 68% said the integration of corporate and sustainability strategy, and 50% cited an increase in regulatory requirements.

This makes sense: Investors are keeping a close eye on new regulations—including the forthcoming (and controversial) U.S. Securities and Exchange Commission's proposed rule on climate risk disclosure—and investors have started asking more sophisticated questions of companies about sustainability issues like the long-term financial risk due to the climate crisis and associated mitigation strategies.

BIGGEST CHANGES CONFRONTING THE CSO



CSOs named the top three factors that are changing the nature of their job: 68% of CSOs named the alignment of sustainability strategy and corporate strategy, 67% named increased interest and pressure from investors, and 50% named increased regulatory requirements.

As regulations grow and investor interest in sustainability deepens, more companies are moving their sustainability strategy closer to their corporate strategy. These companies understand that sustainability must be integrated to drive growth. One of the ways companies are getting ahead of regulations and responding to investor pressure is by investing in the "G" in ESG: building robust governance structures with accountability extending to the board level.

The most effective CSOs are corporate chameleons with influence, vision, and strategy.

CSOs come from a variety of different educational and professional backgrounds, bringing with them a diverse set of skills and experiences. We found that 26% of CSOs have an M.B.A., 17% have a J.D., and 10% have a Ph.D.

In addition to educational credentials and professional experience, CSOs have various competencies that govern how they lead, collaborate, and influence within their company and among external stakeholders. Over the years, we have continued to define the essential attributes necessary for a CSO to succeed, including the ability to influence through collaboration, succeed despite ambiguity, translate complex issues, embrace risk and innovation, and demonstrate humility.

ATTRIBUTES REQUIRED TO BE AN EFFECTIVE CSO



CSOs identified the top attributes needed to be effective in their job: 68% said they needed to be able to influence without authority, 86% said they need to have strategy and vision, and 67% said they need to be a corporate chameleon (able to translate sustainability topics into language that resonates with their recipients).



In this year's survey, we asked CSOs what *they* think: Given a list of 12 competencies, we asked CSOs to name the most important attributes they need to be effective in their job. By far the most important competency CSOs identified is "strategy and vision": 86% of respondents listed this as a top attribute. CSOs also named "influencing without authority" (68%) and the ability to be a "corporate chameleon" (67%) as critical.

These responses align with other key findings: As sustainability strategy becomes a critical part of corporate strategy, CSOs must be able to articulate how their ESG strategy drives business goals. And even though a growing number of CSOs are on their company's leadership team, not all of them have C-suite power, which means they must know how to manage up. Finally, as sustainability extends to corporate strategy, it's important for every employee and department to understand their role, so CSOs need to translate sustainability challenges and opportunities into the language that will be best received by each individual or group.



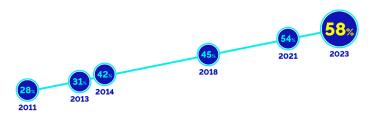
Women continue to rise (rapidly) as CSOs, while racial diversity (slowly) trends in a positive direction.

Since we began our research 12 years ago, the most dramatic change in the demographics of CSOs has been the percentage of women occupying the role. In 2011, women represented just 28% of CSOs, and they have been gaining steadily since that time. In our 2021 survey, women surpassed men as the majority, representing 54% of all CSOs. In our 2023 survey, women comprise 58% of all CSOs.

The rate of growth has been driven by a few factors, including the number of women in the sustainability pipeline. According to the GreenBiz State of the Profession 2022 report, women held 61% of vice president positions, 54% of director positions, and 64% of manager positions.

In addition to measuring gender diversity in CSO roles, we examined racial diversity. Of the CSOs who responded to the survey, 80% self-identified as white. In Weinreb Group's recruiting business, a growing number of clients have asked us to prioritize a diverse slate of candidates. We have also seen that, in conjunction with the increasing visibility of Black Lives Matter, more companies have appointed chief diversity officers; one of the CSOs we surveyed reports to their company's chief diversity officer. Despite positive movement, the pace of change is slow, and more efforts must go into improving racial, ethnic, and other forms of diversity.

PERCENTAGE OF WOMEN IN CSO ROLE HAS DOUBLED



The percentage of women in the CSO role doubled between 2011 and 2023.

¹ https://www.greenbiz.com/report/state-profession-2022-report



Looking Forward

In this year's CSO research, survey respondents demonstrated that their influence has increased among the leadership team and the board. This is a significant shift. When we published our first report in 2011, it was unheard of for a corporate board to have a stand-alone ESG committee, let alone a CSO to inform that committee. This report shows that in 2023, real sustainability champions are in the board room informing multiple board committees. Some CSOs are even corporate officers. Most importantly, it shows that companies understand the real impacts sustainability has on the bottom line.

We will continue to track how these trends play out: How will sustainability's seat at the board change company strategy? How will the board influence the work of sustainability across the company? How will the convergence of company and sustainability strategies make an impact on the urgent sustainability issues of our time?

The CSO has made an indelible mark on business, and we're hopeful that these shifts position business to make its own indelible mark on social and environmental progress.



Methodology

Our 2023 list of CSOs was compiled using information from our network, previous CSO lists, and searches on LinkedIn. All CSOs were verified via web research, including via corporate websites. CSOs on our list fulfill the following three criteria: Their company is publicly traded in the U.S., they are based in the U.S. and the executive's title officially includes the words "chief sustainability officer." We sent surveys in January to 183 CSOs and received 72 responses (39% participation). The CSO List is current as of January 31, 2023.



2023 Weinreb Group Chief Sustainability Officer List

Below is our list of publicly traded U.S. companies with heads of sustainability based in the U.S. with "chief sustainability officer" included in their title as of January 31, 2023.

COMPANY	cso	YEAR APPOINTED
зм Со	Gayle Schueller	2018
Alamo Group, Inc.	Dan Malone	2021
Albertsons Companies Inc	Suzanne Long	2021
Amalgamated Bank	Ivan Frishberg	2021
Ameren Corp	Gwen Mizell	2022
American Electric Power	Sandy Nessing	2022
American International Group Inc	Jennifer Waldner Grant	2019
American Tower Corp	Mneesha Nahata	2020
Amyris Inc	Beth Bannerman	2020
Anheuser-Busch Inbev SA	Ezgi Barcenas	2021
Apollo Global Management	Dave Stangis	2021
Archer-Daniels-Midland Co	Alison L Taylor	2017
Ardagh Group	Jennifer Cumbee	2021
AT&T Inc.	Charlene Lake	2009
Baker Hughes Co	Allyson Anderson Book	2022
Ball Corp	Ramon Arratia	2022
Becton Dickinson and Co	Maureen Mazurek	2021
Berkshire Hathaway	Amanda Smith	2012
Biohaven Ltd	Maryellen McQuade	2021
BlackRock Inc	Nate Hurst	2022
Blackstone Inc	James Mandel	2021
BlueLinx Holdings Inc.	Shyam Reddy	2022
Boeing Co	Chris Raymond	2020
Brunswick Corporation	Jennifer Koenig	2022
Bunge Ltd	Robert Coviello	2019
Campbell Soup Company	Adam Ciongoli	2020
Capri Holdings Ltd	Krista Ann McDonough	2016
Carrier Global Corp	Jennifer Anderson	2021
Caterpillar Inc.	Julie Lagacy	2021
Chemours Co	Sheryl Telford	2021
Chesapeake Energy Ord Shs	Usha-Maria Turner	2022
CHS Inc.	Megan Rock	2022



COMPANY	cso	YEAR APPOINTED
Cisco Systems Inc	Mary de Wysocki	2022
Citigroup Inc	Valerie Smith	2019
Civitas Resources Inc	Brian Cain	2021
Clorox Co	Michael Ott	2022
CNH Industrial NV	Kelly Manley	2021
Coca-Cola Co	Bea Perez	2011
Cognizant	Sophia Mendelsohn	2020
Coherent Corp	Tim Challingsworth	2022
Colgate-Palmolive	Ann Tracy	2020
Compass Minerals I	Rick Axthelm	2021
Coty Inc	Shimei Fan, Ph. D	2022
Covanta	Tequila Smith	2022
CRH PLC	Eunice Heath	2023
CVS Health Corp	Sheryl Burke	2022
Dana Inc	Douglas Liedberg	2017
Danimer Scientific Inc	Scott Tuten	2020
Delta Air Lines	Pam Fletcher	2022
DICK'S Sporting Goods Inc	Peter Land	2020
Dollar Tree Inc	Jennifer Silberman	2022
Dow Inc	Andre Argenton	2022
Duke Energy Corp	Katherine Neebe	2020
DuPont de Nemours Inc	Alexa Dembek	2017
Eastman Chemical Co	Stephen Crawford	2019
Eaton Corporation PLC	Harold V. Jones	2021
eBay Inc	Renee Morin	2020
Ecolab Inc	Emilio Tenuta	2019
Elevance Health Inc	Hakon Mattson	2022
Emerson Electric Co	Michael Train	2021
Enbridge Inc	Pete Sheffield	2020
Enviva	Brandi Colander	2023
Equitrans Midstream Corp	Todd Normane	2020
Essential Utilities Inc	Chris Crockett	2020
Estee Lauder Companies Inc	Nancy Mahon	2023
Evoqua Water Technologies Corp	Snehal Desai	2020
Exelon Corp	Sunny Elebua	2021
Expro Group Holdings NV	Karen David-Green	2021
Extreme Networks Inc	Katy Motiey	2020
FedEx Corp	Mitch Jackson	2017
Fifth Third Bancorp	Mike Faillo	2022
FMC Corp	Karen Totland	2020



COMPANY	cso	YEAR APPOINTED
Ford Motor Co	Bob Holycross	2019
Fresh Del Monte Produce Inc	Hans Sauter	2020
FuelCell Energy Inc	Betsy Schaefer	2022
General Electric Company	Roger Martella	2021
General Mills, Inc.	Mary Jane Melendez	2019
General Motors Company	Kristen M. Siemen	2021
Goodyear Tire & Rubber Co	Ellis Jones	2021
Google	Kate Brandt	2018
Graphic Packaging	Michelle M. Fitzpatrick, Ph.FD.	2021
Greif, Inc.	Matt Eichmann	2022
Hanesbrands Inc.	Chris Fox	2020
Hartford Financial Services Group	Terence Shields	2022
Henry Schein, Inc.	Jennifer Kim Field	2022
Hewlett Packard Enterprise Co	Monica Batchelder	2022
Hillenbrand, Inc.	Tory Flynn	2021
Home Depot Inc	Ron Jarvis	2020
Honeywell International Inc	Evan van Hook	2021
Hostess Brands Inc	Darryl Riley	2022
HP Inc	James McCall	2021
Ingredion Inc	Larry Fernandes	2018
Installed Building Products Inc	Jason Niswonger	2022
Insulet Corporation	Lisa Brady	2020
Intel Corporation	Todd Brady	2022
International Flavors & Fragrances	Gregory Yep	2016
International Paper Co	Sophie Beckham	2021
Interpublic Group of Companies Inc	Jemma Gould	2022
J B Hunt Transport Services Inc	Craig Harper	2020
James Hardie Industries plc	Jill Kolling	2022
Johnson & Johnson	Paulette Frank	2021
Johnson Controls International PLC	Katie McGinty	2020
Jones Lang LaSalle Inc	Erin Meezan	2022
Jumia Technologies AG - ADR	Juliet Anammah	2022
Kellogg Company	Janelle Meyers	2021
Keurig Dr Pepper Inc	Monique Oxender	2014
Koppers Holdings Inc.	Leslie Hyde	2020
Las Vegas Sands Corp.	Katarina Tesarova	2021
Levi Strauss & Co	Jeffrey Hogue	2020
Lincoln National Corp	Amber Williams	2022
ManpowerGroup Inc	Ruth Harper	2021
Masonite International Corp	Clare Doyle	2021



COMPANY	cso	YEAR APPOINTED
Mastercard Inc	Ellen Jackowski	2022
McCormick & Company Inc	Michael Okoroafor	2021
McDonald's Corp	Jenny McColloch	2021
MGM Resorts International	Jyoti Chopra	2019
Microsoft Corp	Melanie Nakagawa	2023
Mondelez International	Christine Montenegro McGrath	2017
Morgan Stanley	Jessica Alsford	2022
Nike Inc	Noel Kinder	2018
NiSource Inc.	Dan Creekmur	2022
Norfolk Southern Corp	Josh Raglin	2007
Northern Trust Corp	Jamie Jones Ezefili	2022
Northrop Grumman Corp	Mike Witt	2021
NRG Energy Inc	Jeanne-Mey Sun	2020
NXP Semiconductors NV	Jennifer Wuamett	2022
O-I Glass Inc	Randy Burns	2020
Oatly Group AB - ADR	Ashley Allen	2020
Omnicom Group Inc.	Karen van Bergen	2021
Oracle Corporation	Jon S. Chorley	2011
Oshkosh Corp	Kevin Tubbs	2018
Owens Corning	David Rabuano	2022
Pactiv Evergreen Inc	Lynn Dyer	2020
PepsiCo, Inc.	Jim Andrew	2020
Pfizer Inc.	Caroline Roan	2020
PG&E Corporation	Carla Peterman	2021
Pinterest Inc	Dr. LeMia Jenkins Thompson	2022
PNM Resources Inc	Maureen Gannon	2022
PPL Corp	Christine Martin	2022
Prologis Inc	Susan Uthayakumar	2022
PTC Inc	Catherine Kniker	2022
PVH Corp	Rick Relinger	2022
Qualcomm Inc	Angela Baker	2013
Raytheon Technologies Corp	LeAnn Ridgeway	2021
Rivian Automotive Inc	Anisa Kamadoli Costa	2022
SAPSE	Pedro Pereira	2022
Schlumberger NV	Dr. Katharina Beumelburg	2021
Schnitzer Steel Industries Inc	Judodine Nichols	2022
Seabridge Gold Inc	Melanie Miller	2022
Sempra Energy	Lisa Larroque Alexander	2020
Starbucks Corporation	Michael Kobori	2020
Stepan Company	Jason Keiper	2019



COMPANY	cso	YEAR APPOINTED
Steven Madden, Ltd.	Gregg Meyer	2022
Sylvamo Corp	James McDonald	2021
Talos Energy Inc	Robin Fielder	2021
Tennessee Valley Authority	Rebecca Tolene	2019
Terex Corporation	Stacey Babson Kaplan	2022
Tetra Tech, Inc.	Leslie Shoemaker	2019
TETRA Technologies, Inc.	Paul Camuti	2020
TMC the metals company Inc	Erica Ocampo	2021
TransUnion	Hilary Chidi	2019
Travelers Companies Inc	Yafit Cohn	2019
Tronox Holdings PLC	Melissa Zona	2019
Tupperware Brands Corporation	Josh Decktor	2021
Tyson Foods, Inc.	John R. Tyson	2019
Under Armour Inc Class C	Michael Levine	2016
United Airlines Holdings Inc	Lauren Riley	2022
United Parcel Service, Inc.	Laura Lane	2020
United States Steel Corporation	Richard Fruehauf	2018
UnitedHealth Group Inc	Patricia Lewis	2022
Verizon Communications Inc.	James Gowen	2009
Visa Inc	Douglas Sabo	2020
Vistra Corp	Stacey Doré	2022
Vital Energy Inc	David Ferris	2020
Vornado Realty Trust	Lauren Moss	2022
Walmart Inc	Kathleen McLaughlin	2013
Wells Fargo & Co	Robyn Luhning	2022
WM	Tara Hemmer	2021
Wynn Resorts, Limited	Erik Hansen	2018
Xcel Energy Inc	Frank Prager	2022
Yellow Corp	Mike Kelley	2008
Yum! Brands, Inc.	Jon Hixson	2017
Zai Lab Ltd - ADR	Jim Massey	2021

Weinreb Group

A global, boutique, woman-owned placement agency, Weinreb Group collaborates with clients to find, vet and place well-qualified ESG and sustainability candidates. More than a search firm, we seek to understand the unique needs, culture and value proposition of each client in order to help define their hiring strategy. Through our proprietary process, hands-on guidance and carefully cultivated relationships, Weinreb Group builds longterm relationships with clients, supporting them through searches for a CSO, ESG Leader, or an entire team.

www.weinrebgroup.com





+1 510 859 7887

@SustainableJobs

in @EllenWeinreb @WeinrebGroup