



MOSSADAMS

Environmental, Social, and Governance (ESG) Disclosure

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Moss Adams



Expertise

*Crater Lake—
A monument to perseverance,
North America's deepest lake filled
to 1,949 feet over 720 years.*

D
E
E
P

109
years in
business

30+
locations west
of the Mississippi

3,800+
professionals

110+
countries served
through *Praxity*

30+
industries
served

\$955M
in revenue earned



Energy

Whether you're an oil and gas company, oilfield services, refining, utility, energy transition or a renewable energy company, your commitment to innovation drives progress. You realize the importance of staying ahead of the curve at every step of the business life cycle. As you pursue new possibilities, engaging a team that understands the specific challenges you face will allow you to concentrate on what really matters: growing your business.

Price fluctuations, cost containment, supply chain management, technological improvements, enhanced production demands, deregulation, environmental commitment and the need for capital—tackling these complex issues is what drives us.

WHO WE SERVE

Moss Adams serves over 900 energy companies of all sizes—from large multinational companies and publicly traded middle-market corporations to private firms and start-ups. We serve clients in many areas, including:

Oil & Gas

Power & Utilities

Renewable Energy

Energy *flows* through an ecosystem, while matter *cycles* within it. Moss Adams serves all aspects of the energy industry



ESG Solutions and Opportunities

**SECURE STAKEHOLDER CONFIDENCE
WITH ESG AUDITS OR REVIEWS**

**MAKE DATA-DRIVEN DECISIONS WITH DATA
ANALYTICS**

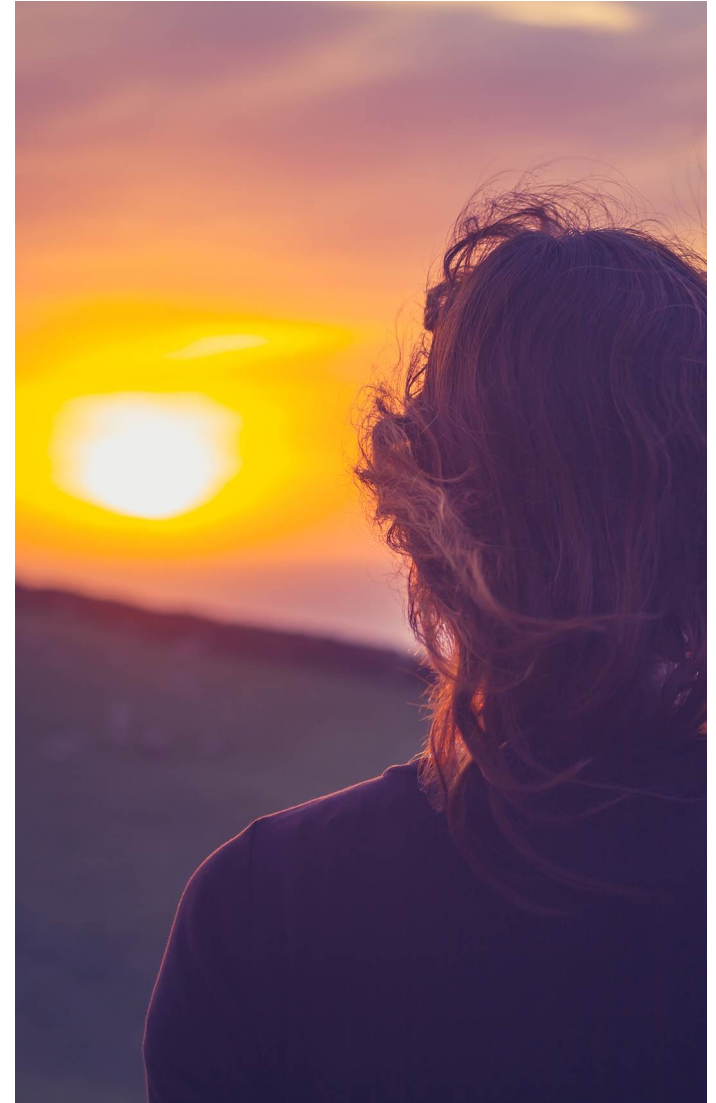
**STRENGTHEN AND ASSESS
BOARD GOVERNANCE**

**EXECUTE DEALS CONFIDENTLY
WITH TRANSACTIONS SERVICES**

CLAIM TAX BENEFITS FOR ESG PRACTICES

PURSUE ESG INVESTMENT OPPORTUNITIES

IMPROVE STRATEGY AND OPERATIONS





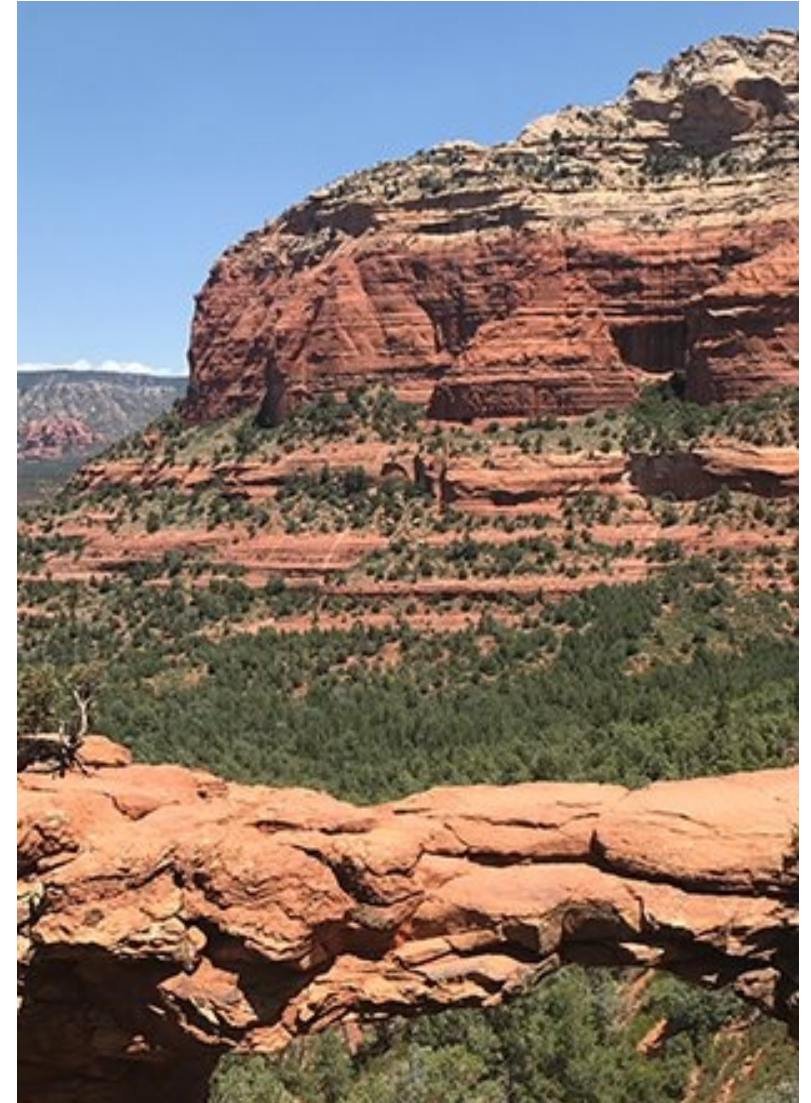
SEC Proposal – Financial Metrics

FINANCIAL METRIC PROPOSAL		
FINANCIAL IMPACT	EXPENDITURE	ESTIMATES & ASSUMPTIONS
Impact of physical risks, transition risks; severe weather events; transition activities on any financial statement line item	-Expenditure expensed -Capitalized costs incurred Separately showing climate related events and transition activities to mitigate transition risks	Whether estimates and assumptions used to produce financials were impacted by risks & uncertainties or known impacts from climate related events - if so disclose how
For same periods as presented on balance sheet, income statement, cash flow EGC or SRC only 2 years required		
Materiality set at 1% of the total line item for the relevant year		



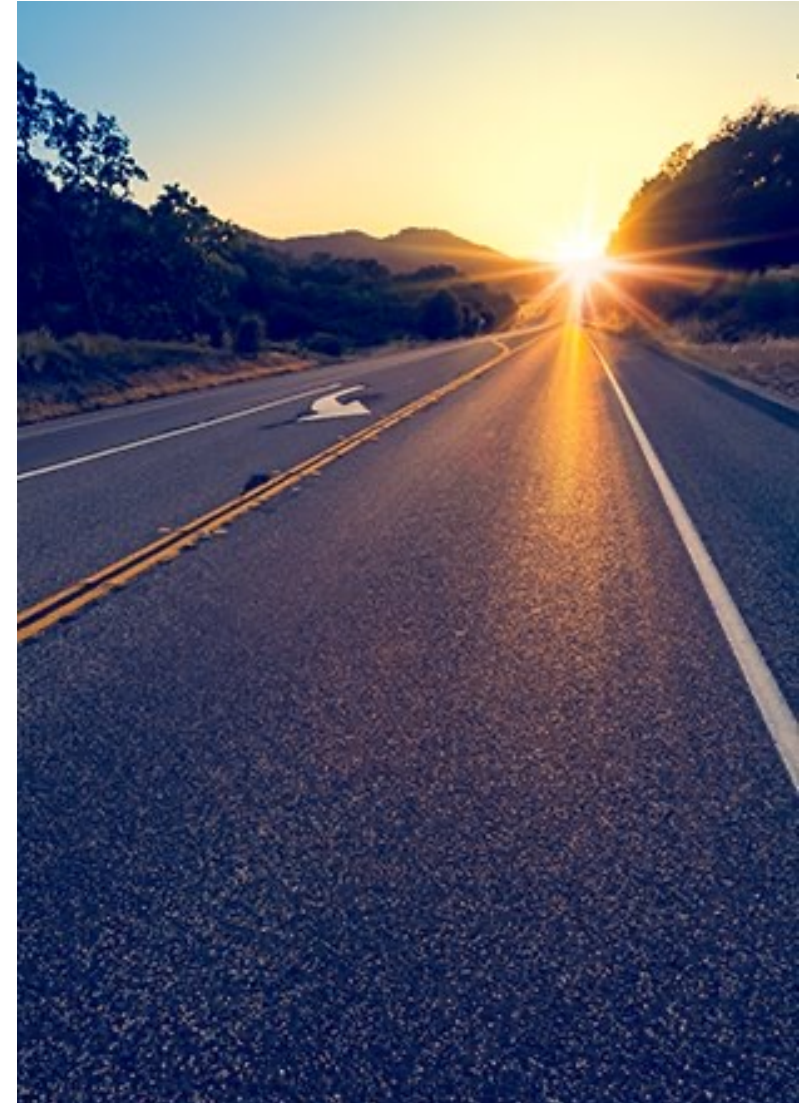
Some Key Takeaways

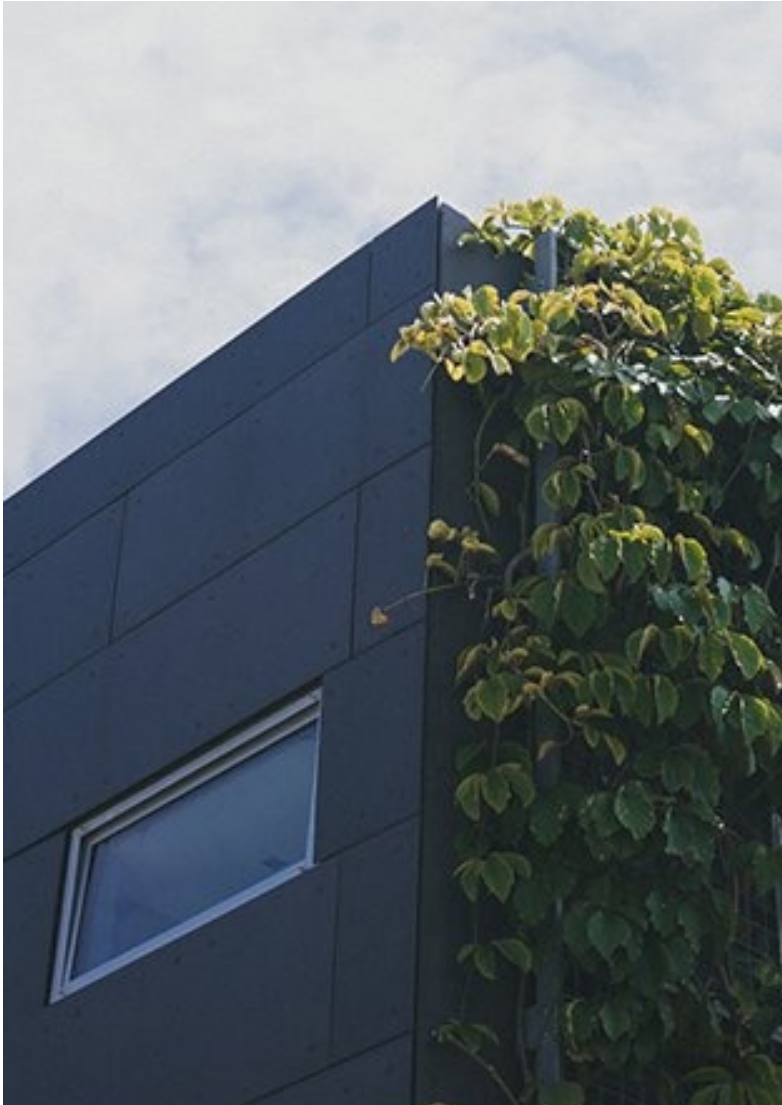
- These will be in a footnote, that means they are audited
- That means they are subject to ICFR
- There will be contextual information requirements – how it was derived, significant inputs, assumptions etc.
- Consolidated subs would be included based on scope of registrants consolidation
- Accounting principles consistent with those used and disclosed in the filing
- Some limited consideration of “known and reasonably available”
- Lots of little intricacies here, and expect this to change before its finalized due to areas of requested comment



SEC Proposal – Attestation Required

- Limited assurance scaling to reasonable assurance for Scope 1 and Scope 2 GHG emissions:
 - (1) Limited assurance – think Q review
 - (2) Reasonable assurance – think audit
- Requires GHG emissions attestation provider
- Provides minimum requirements for the attestation report
- As proposed, does not require service provider to be a registered public accounting firm





GHG Attestation Provider Definition

- An expert in GHG emissions by virtue of having significant experience in measuring, analyzing, reporting, or attesting to GHG emissions. Significant experience means having sufficient competence and capabilities necessary to:
 - perform engagements in accordance with professional standards and applicable legal and regulatory requirements; and
 - enable the service provider to issue reports that are appropriate under the circumstances
- Is independent with respect to the registrant, and any of its affiliates, for whom it is providing the attestation report, during the attestation and professional engagement period.
- If a firm, expect policies and procedures designed to provide it with reasonable assurance that the personnel selected to conduct the GHG emissions attestation engagement have significant experience with respect to both attestation engagements and GHG disclosure



GHG Disclosure and Assurance Compliance Dates

FILER TYPE	SCOPES 1 AND 2 GHG DISCLOSURE COMPLIANCE DATE	LIMITED ASSURANCE	REASONABLE ASSURANCE
Large Accelerated Filer	Fiscal year 2023 <i>(filed in 2024)</i>	Fiscal year 2024 <i>(filed in 2025)</i>	Fiscal year 2026 <i>(filed in 2027)</i>
Accelerated Filer	Fiscal year 2024 <i>(filed in 2025)</i>	Fiscal year 2025 <i>(filed in 2026)</i>	Fiscal year 2027 <i>(filed in 2028)</i>

**This table assumes the proposed rules will be adopted effective December 2022, and that the filer has a December 31 fiscal year-end.*



Disclosure Compliance Dates by Registrant Type

REGISTRANT TYPE	DISCLOSURE COMPLIANCE DATE	
	All proposed disclosures, including GHG emissions metrics: Scope 1, Scope 2, and associated intensity metric, but excluding Scope 3	GHG emissions metrics: Scope 3 and associated intensity metric
Large Accelerated Filer	Fiscal year 2023 <i>(filed in 2024)</i>	Fiscal year 2024 <i>(filed in 2025)</i>
Accelerated Filer and Non-Accelerated Filer	Fiscal year 2024 <i>(filed in 2025)</i>	Fiscal year 2025 <i>(filed in 2026)</i>
SRC	Fiscal year 2025 <i>(filed in 2026)</i>	Exempted

**This table assumes the proposed rules will be adopted effective December 2022, and that the filer has a December 31 fiscal year-end.*



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