



# PSA Environmental, Social, and Governance Enhanced Due Diligence Services

When doing business with third parties, it is essential to understand the environmental, social and governance (ESG) risks they may bring to your organization. As these risks are discovered, organizations must decide when and how to engage additional resources to qualify the level of risk to the business. NAVEX's partnership with Pacific Strategies & Assessments (PSA) offers organizations the enhanced due diligence necessary to do so. Through a robust and customizable suite of ESG services, PSA helps clients illuminate and manage the ESG risks most crucial in today's market, including:

- Sustainability risk
- Climate risk
- Human rights risk

Designed to help you understand your third parties' governance practices and impact on society and the environment, PSA's ESG Enhanced Due Diligence reports empower your organization to make informed decisions.

## Human Rights Due Diligence and Global Legislation

As global regulations and consumer expectations evolve, organizations must examine their supply chains to eliminate human rights violations and manage their risks. PSA's Human Rights Due Diligence reporting is borne out of this growing necessity, based on a close reading of the German Supply Chain Act (LkSG), and informed by the UN Guiding Principles on Business and Human Rights, UK Modern Slavery Act and other relevant legislation.

## Full Spectrum Due Diligence

PSA due diligence reporting is seamlessly integrated with NAVEX's RiskRate, enabling clients to order reports and communicate directly with PSA analysts working on their case. Research findings are delivered in a clear, user-friendly format that highlights key regulatory and operational concerns. The reports allow organizations to make informed decisions as to whether to engage with the third party, what risk assurances they may require and how to best manage the engagement.

## PSA Environmental, Social, and Governance Reporting Services

Category	Report Description	Use Cases
Climate Risk	<p>A database, media, and desktop-based assessment of:</p> <ul style="list-style-type: none"> <li>• Risk posed by flood, fire and severe weather to site.</li> <li>• The impact of the site on the environment.</li> </ul>	<ul style="list-style-type: none"> <li>• Pre-appointment of a manufacturer/supplier.</li> <li>• Pre-M&amp;A of manufacturing assets.</li> <li>• Pre-IPO risk assessment.</li> </ul>
Sustainability Risk	<p>A detailed data collection and calculation to:</p> <ul style="list-style-type: none"> <li>• Identify the source(s) of power being consumed at a site.</li> <li>• Assess a counterparty's carbon emission and relevant carbon tax implications.</li> <li>• Provide an assessment of power stability at a site.</li> </ul>	<ul style="list-style-type: none"> <li>• To quantify carbon footprints of partners in the supply chain.</li> <li>• Pre-M&amp;A or other collaboration.</li> <li>• For when other data falls short.</li> </ul>
Human Rights Risk	<p>Survey of the overall human rights risks within the local operating environment, including:</p> <ul style="list-style-type: none"> <li>• Risk specific to the counterparty's location and industry.</li> <li>• Research on the human rights risk related to the counterparty itself.</li> </ul>	<ul style="list-style-type: none"> <li>• To comply with German supply chain law.</li> <li>• To identify and eliminate forced labor in the supply chain.</li> </ul>

[WWW.NAVEX.COM](http://WWW.NAVEX.COM) | [info@navex.com](mailto:info@navex.com) | U.S. +1 866 297 0224 | EMEA +44 (0) 20 8939 1650

NAVEX is trusted by thousands of customers worldwide to help them achieve the business outcomes that matter most. As the global leader in integrated risk and compliance management software and services, we deliver our solutions through the NAVEX One platform, the industry's most comprehensive governance, risk and compliance (GRC) information system.

© 2023 NAVEX GLOBAL, INC. ALL RIGHTS RESERVED. | 02.23.23