



Environmental, Social and Governance Strategy

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Introduction to an Environmental, Social and Governance (ESG) strategy

What is an ESG strategy?

It is a *framework* that is used to assess an organization's business practices and performance on various sustainability and ethical issues.

The three pillars of an ESG strategy are defined¹ as follows:

- ▶ Environmental – what is the organization's impact on the environment?
- ▶ Social – what is the impact that the organization has on people? (this includes citizens, community, employees)
- ▶ Governance: How is an organization governed? Do they have transparent processes?

Why is an ESG strategy important for Leduc County?

- ▶ Companies making investment decisions are using ESG as a matrix in their decision-making process. To remain competitive “increasingly, ESG is a point of differentiation that affects competitiveness both for jurisdictions and the companies that operate within them.”²
- ▶ Leduc County is prioritizing economic development, and an ESG strategy is one more component that can differentiate the County from our competitors. As noted in a report by the Canada West Foundation “a real opportunity exists for governments in Canada at the municipal, provincial and federal levels to support strong and consistent ESG reporting, raise the bar for performance, communicate success to different stakeholder audiences, and provide clarity for investors. These actions will help companies operating in the jurisdiction; they also help the government by building its brand and its investment attractiveness.”²
- ▶ A survey conducted in 2022 of the G250 - the world's largest companies by revenue based on the 2021 Fortune 500 ranking - found that 96% report on their sustainability or ESG matters.³
- ▶ A strategy also allows for the development of an action plan for the organization to strive for advancement in the areas of environmental, social and governance and be open and transparent on these actions.

Leduc County's commitment to ESG

Guiding principles

- ▶ Leduc County will:
 - ▶ Examine its practices, programs and initiatives through the lens of ESG,
 - ▶ Strive to advance their practices in these areas, and
 - ▶ Be transparent with our ESG strategy through ongoing reviews and reporting practices.

ESG Pillars

Environmental Pillar

Current state (what are we currently doing?)

- ▶ Documents that support advancement of this pillar:
 - ▶ Environmentally Significant Areas Study (2015), which is implemented through the County's statutory planning framework, and by extension, through the administration of the Leduc County Land Use Bylaw.
 - ▶ Municipal Development Plan (currently under review) contains policies and direction to protect the integrity and natural function of watershed systems.
 - ▶ Recreation and Parks Master Plan (2023).
 - ▶ Strategic Waste Management Plan (2022).
 - ▶ Transportation Master Plan (2024).
- ▶ Partnerships with other organizations
 - ▶ North Saskatchewan Watershed Alliance (NSWA) is a non-profit society that is provided strategic direction and guidance by 20-member elected [Board of Directors](#) which reflect the range of stakeholders within the watershed. Their key strategic goals are:
 - Supports collaborative watershed planning.
 - Provides leadership in watershed management.
 - Promotes watershed knowledge sharing.
 - Leduc County provides an annual financial contribution and also has a council representative on the board.
 - ▶ Pigeon Lake Watershed Association (PLWA) is a charitable, not-for-profit environmental advocacy group made up of people who live, work and play in Pigeon Lake and its watershed. Their mission is to enhance, preserve and protect Pigeon Lake and its watershed as a healthy and environmentally sustainable ecosystem for current and future generations.
 - Leduc County does not provide annual funding however grants have been provided in the past. We support the organization with a council and administrative representative on the steering committee.
 - ▶ Wizard Lake Watershed and Lake Stewardship Association (WLWLSA) works towards enhancing and protecting the sustainability and enjoyment of Wizard Lake for the benefit of all users and watershed inhabitants.
 - Leduc County provides an annual financial contribution through sponsorships and grants. Additional grants are provided for various events and funding varies based on applications. Volunteers of the association participate in community development training opportunities provided by the County.
 - ▶ Beaver Hills Biosphere Reserve Association stewards the Biosphere and supports partners working together for a sustainable region, through shared initiatives and collaborative action. The Association is committed to sustaining the Biosphere through innovative efforts that:
 - Conserve biodiversity and foster stewardship of natural resources.
 - Support healthy, thriving communities.
 - Facilitate sustainable development through research and education.
 - Mitigate and adapt to environmental change.
 - Build organizational capacity and sustainability.

- Leduc County provides an annual financial contribution and has an administrative representative on various projects and committees and also has a council representative on the board.
- ▶ As a member of the Edmonton Metropolitan Region Board (EMRB), Leduc County was an active stakeholder in the development of the Regional Agriculture Master Plan (RAMP). RAMP creates a policy framework that balances the needs of municipalities to develop, grow, and conserve our prime agricultural lands with the economic opportunities of the agricultural sector in the Region. RAMP is a land use plan specifically for agriculture in the Edmonton Metropolitan Region and addresses the following objectives of the growth plan:
 - Identify and conserve an adequate supply of prime agricultural lands to provide a secure local food source for future generations.
 - Minimize the fragmentation and conservation of prime agricultural lands for non-agricultural uses.
 - Promote diversification and value-added agriculture production and plan infrastructure to support the agricultural sector and regional food system.
- ▶ Current operational practices
 - ▶ Organization-wide initiatives
 - Implement procurement changes to minimize the use of single-use plastics.
 - Creating new electronic workflows through the implementation of new software across the organization for records management and permitting.
 - Implementing a new web-based customer portal through which customers can access the permits approvals from Development Services and Safety Codes, reducing the need for customers to physically attend the County office.
 - Distribute electronic invoices for utility customers that reduces paper invoices being produced and the requirement for mailing.
 - Complete facility projects that result in energy efficiencies i.e. LED lighting, exterior sealants.
 - ▶ Programs
 - Sustainable Agriculture Program (SAP) supports the adoption of beneficial management practices by agricultural producers through education and awareness and by supporting producers with federal and provincial grant applications where funding is available.
 - Also, part of the County's SAP program is the coordination of the ALUS Wetaskiwin-Leduc program. ALUS, originally an acronym for Alternative Land Use Services, is a charitable organization with an innovative community-developed and farmer-delivered program that produces, enhances and maintains ecosystem services on agricultural lands. Projects such as wetland restoration and enhancement, riparian buffers, shelterbelts, afforestation and native prairie grass restoration provide cleaner water and air, habitat, carbon sequestration and climate resiliency. ALUS provides expertise, resources and direct financial support to communities where farmers and ranchers build nature-based solutions on their land to deliver ecosystem services to sustain agriculture, help build community resilience and fight climate change and biodiversity loss for the benefit of future generations.
 - Support agriculture producers in the development of an environmental farm plan.
 - Drainage district and watershed management – working within watersheds and encouraging best management practices for these sensitive ecosystems.

- Integrated vegetation management (IVM) plans and policies – IVM is a system of managing plant communities whereby vegetation managers set objectives, identify compatible and incompatible vegetation, consider action thresholds, and evaluate, select and implement the most appropriate vegetation control method(s) to achieve those objectives, based on the methods' environmental impact and anticipated effectiveness, along with site characteristics, security, economics, current land use and other factors. In Leduc County, we adhere to the code of practice for pesticide use, use reduced risk herbicides, and conduct spot spraying on targeted vegetation in lieu of blanket spraying as part of our IVM plans.
- Integrated pest management plans – managing beavers in our watershed, clubroot management and policy.
- Working with Alberta Municipalities, the program administrator, to implement a Clean Energy Improvement Program (CEIP). The CEIP is a Property Assessed Clean Energy (PACE)-style program that helps people make energy efficient upgrades to their properties. The cost of the upgrade is recovered through the owner's property taxes. Property owners who choose to make improvements would help reduce greenhouse gas emissions, create jobs, stimulate local economies and save money on their energy bills.
- ▶ Operational practices
 - Concrete and asphalt recycling – the County receives free concrete and asphalt products that are removed from roadways and various construction projects in the region. This material is then processed (i.e. crushed, mixed together) and re-used in County projects, which eliminates the need for the County to source certain materials, reduces costs to our projects and recycles existing materials. In 2023, approximately 18,000 tonnes of crushed concrete and 9,600 tonnes of crushed asphalt have been used.
 - Created a controlled idling standard for graders.
 - Schedule County projects given the restrictions of the *Migratory Birds Act*.
 - Erosion control and silt mitigation – reduce erosion by providing effective planning and procedures, including construction site run-on and run-off control and soil stabilization practices.
- ▶ Support to community efforts
 - Ongoing financial support to community projects for energy efficiency projects.
 - In Jan. 2023, Council supported a trial project for an Edmonton solar company to complete an installation of a solar project within a dry storm pond in the Nisku Business Park.

Future commitments (what do we want to accomplish?)

- ▶ Addition of hydrogen and electric vehicles to the County's fleet through partnership opportunities when operationally and fiscally viable.
- ▶ Implement sustainability initiatives in County facilities through ongoing maintenance projects.
- ▶ Examine opportunities for naturalization initiatives on County-owned land.
- ▶ Incorporate ESG considerations when developing requests for proposals for new projects.
- ▶ Implement a Clean Energy Improvement Program (CEIP).

Social Pillar

Current state (what are we currently doing?)

For our citizens

- ▶ Bi-annual citizen satisfaction survey.
- ▶ Continue to enhance the Leduc County public participation (P2) program, which includes our new P2 website, Your Say Leduc County, which was launched in 2023.
- ▶ Direct citizen engagement in the comprehensive Land Use Bylaw review project, including five public open house events conducted across the County in 2023.
- ▶ Ongoing Council commitment through the annual budget to support Family Community Support Services programs.
- ▶ A 2019 Social Framework approved by Council.
- ▶ Priorities established by Council in the 2022 – 2025 Leduc County Strategic Plan:
 - ▶ Further develop opportunities for Council to interact with the community and citizens.
 - ▶ Maintain a safe County.
 - An urban standards bylaw approved by Council in 2022.
 - Development of a Transportation Master Plan.
 - Enforcement Services ongoing work doing proactive patrols, and traffic stops throughout the County.
 - Advocacy efforts to the Government of Alberta on the completion of safety assessments.
- ▶ Work with community partners to meet the needs of County seniors.
 - ▶ Transportation – Drive Happiness program established in 2024.
 - ▶ Housekeeping – subsidized services.
 - ▶ Senior’s grant funding program approved in 2023 to encourage and support community initiatives for seniors.
 - ▶ Council representation on the board of the Leduc Regional Housing Foundation.
- ▶ Develop recreation opportunities within the County.
 - ▶ New Recreation and Parks Master Plan approved in 2023.
 - ▶ Community events are held throughout the year, including two Leduc County days held in 2023.
- ▶ The Family Resource Network partnered with Rundles Mission to host an Indigenous Peoples’ Day event in June 2023.
- ▶ Completed a Leduc County Transit Needs and Feasibility Assessment in 2023 to better understand how transit could most effectively serve local and regional travel needs.

For our community

- ▶ Community events – 15 events held in 2023 (with approx. 2,100 participants), including two events for Leduc County Days. An additional 16 events (with approx. 3,350 participants) were held in partnership with local not-for-profit associations.
- ▶ Summer recreation programming such as camps, special programs, trips and drop-in programs had approx. 780 participants in 2023.
- ▶ New Recreation and Parks Master Plan approved in 2023.
- ▶ Community development support to not-for-profit organizations such as workshops and grants.

For our employees

- ▶ Annual employee satisfaction survey.
- ▶ Professional development financial support.

- ▶ Comprehensive benefits package that includes a wellness account.
- ▶ Organizational focus on mental health:
 - ▶ Administrative Directive – Mental Health Supplement: Leduc County will provide financial support for additional mental health support for employees (i.e. counselling, psychologist visits) once they reach the maximum in the group benefit plan.
 - ▶ The Working Mind (TWM) training for all staff – TMW is an evidence-based training, developed to initiate a shift in the way you think, act, and feel about mental health and was developed by the Mental Health Commission of Canada. It was designed to provide practical knowledge and skills to address mental health and mental illness in the workplace. Training sessions initiated in 2023 and will continue into 2024.
- ▶ Flexible work arrangements that provide work/life balance for our employees.
- ▶ Competitive total compensation model.
- ▶ A public commitment to staff through various policies:
 - ▶ Human Resources Policy states Leduc County is dedicated to serving its community through an enabled, empowered, effective and efficient workforce. Staff will be offered a value proposition that provides a positive work experience and meets a range of needs, including competitive pay and benefits, performance management, recognition, training and development opportunities, and a healthy work/life balance in exchange for valued and competent performance that meets the needs of our community.
 - ▶ Health and Safety Policy states Leduc County is committed to providing and maintaining a safe and healthy work environment for everyone working or visiting our worksites or work environment. Our health and safety program promotes a positive safety culture, minimizes illness, injury, and property damage, and promotes the personal safety and wellbeing of everyone at all worksites. In fulfilling the legislative requirements to protect both people and property, management, with Council's support, will strive to eliminate or control any foreseeable hazards which may pose a risk to personal safety or property.

Future commitments (what do we want to accomplish?)

For our citizens and community

- ▶ Review the 2019 Social Framework and establish priorities for the next five years.
- ▶ Ongoing financial contributions to urban municipal partners for cost-sharing of recreational opportunities for our citizens.
- ▶ Development of a new baseball recreation site in the hamlet of New Sarepta.
- ▶ Development of a future recreation site with access to the North Saskatchewan River.
- ▶ Execute the deliverables of the Recreation and Parks Master Plan (2023).
- ▶ Continued enhancement of citizen participation opportunities related to development decisions through ongoing refinement of public notification and participation practices.

For our employees

- ▶ Ongoing commitment to a competitive total compensation package that includes health, financial and family benefits.
- ▶ Continue to provide The Working Mind mental health training for employees.
- ▶ Modernize County facilities to create positive and collaborative work environments for our employees.
- ▶ Continue to action feedback received through employee satisfaction surveys.

Governance Pillar

Current state (what are we currently doing?)

- ▶ Commitment to open and transparent government.
 - ▶ Livestreaming council and governance and priorities meetings and meetings are open to the public.
 - ▶ Access to council meeting agenda packages, notes and minutes on the County's website.
 - ▶ Council meetings that are open to the public and that time is scheduled at the start of every meeting to allow for the public to raise a matter with Council.
 - ▶ A commitment to make decisions for the public in the public.
 - ▶ Electronic evidence disclosure portal for Enforcement Services matters - all traffic and provincial evidence can be accessed by citizens online.
 - ▶ Project initiated to introduce a new citizen online portal to address concerns.
- ▶ Public participation – continue to promote and enhance program.
 - ▶ First public participation policy adopted by Council July 3, 2018.
 - ▶ Public participation framework for the organization developed in 2020.
 - ▶ Public participation website – Your Say Leduc County – launched in May 2023.
- ▶ Commitment to organizational values: accountability, integrity, passion and responsiveness
 - ▶ Citizen satisfaction surveys (organizational commitment to a bi-annual survey)
 - First survey for the County delivered in 2021.
 - Second survey completed in 2023.
 - ▶ Council's commitment to learning activities through council workshops as it results in better decisions and is more effective.
 - ▶ A review of the Council Code of Conduct bylaw completed in 2023 and a new bylaw was approved Jan. 9, 2024.
 - ▶ Participation in external boards and committees across the region and province.

Future commitments (what do we want to accomplish?)

- ▶ Commitment to consistent ESG reporting.
- ▶ Ensure Leduc County's ESG strategy is easily accessible to the public and investors.
- ▶ Additional offering of voting options for municipal elections.

ESG Action Plan

Figure 1: Three-Year Action Plan

Pillar	Action	Timeline
Environmental	Investigate the feasibility of a Clean Energy Improvement Program (CEIP).	2024
Environmental	Explore partnerships to acquire hydrogen/electric fleet vehicles when it is deemed operationally and fiscally viable.	2025
Environmental	Update request for proposal template to include ESG considerations.	2025
Environmental	Convert all lighting in County facilities to LED technology.	2026
Environmental	Examine opportunities for naturalization initiatives on County-owned land.	2026
Social	Examine employee compensation market placement.	2024
Social	Review the 2019 Social Framework and establish priorities for the next five years.	2024
Social	Development of a new baseball recreation site in the hamlet of New Sarepta.	2025
Governance	Create an ESG website page that is easily accessible to investors and public.	2024
Governance	Create a policy that outlines what changes will trigger a review of electoral boundaries based on proportional distribution.	2026

ESG Reporting

Leduc County is committed to updating its ESG strategy every two years and reporting back on the delivery of the strategy's action plan.

Citations

¹ Ellis J. Corporate Governance Institute. *What are the three pillars of ESG*. Accessed Jan. 29, 2024 at <https://www.thecorporategovernanceinstitute.com/insights/lexicon/three-pillars-of-esg-ultimate-guide-to-esg/>

² Canada West Foundation. (2022) *Governments ESG Why should governments care and what can governments do?* (p. 2) Accessed Jan. 29, 2024 at https://cwf.ca/wp-content/uploads/2022/05/CWF_ESGandGovnt_Report_JUNE2022.pdf

³ McCalla-Leacy J, Threllfall R, Shulman J. KPMG. (2022) *Big shifts, small steps: KPMG Survey of Sustainability Reporting 2022*. (p. 9) Accessed Jan. 29, 2024 at <https://kpmg.com/xx/en/home/insights/2022/09/survey-of-sustainability-reporting-2022.html>



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