

Haynes Boone and EnerCom Issue 3rd Report on ESG Trends in Oil and Gas Sector

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Haynes Boone and EnerCom, Inc. have released the third edition of their Oil & Gas ESG Tracker, which reflects the growing impact the environmental, social and governance (ESG) movement has had on U.S. onshore oil and gas producers. The latest Tracker reveals the growing adoption of ESG policies — and widespread public disclosures of those policies.

The Spring 2022 Oil & Gas ESG Tracker summarizes findings from a review of 30 U.S.-listed middle market onshore oil and gas producers' Securities and Exchange Commission (SEC) filings and other ESG disclosures. The Tracker is aimed at helping the market better understand evolving trends in an area of central importance to the U.S. energy industry.

“Since our previous Tracker was published last summer, we continue to see producers implement corporate governance policies, adapt business strategies and increase disclosure around ESG related initiatives, including greenhouse gas emissions reporting, in response to anticipated regulatory requirements, market sentiment and investor focus,” said Haynes Boone Corporate Partner, Stephen W. Grant, Jr. “Notably, to cite one data point, 97% of the producers sampled have disclosed their ESG policies — up from 70% in our first Tracker, published in March 2021.”

Other trends identified in the latest Oil & Gas ESG Tracker include:

- Most producers are disclosing Scope 1 and Scope 2 greenhouse gas (GHG) emissions in sustainability reports and on company websites but not in SEC filings.
- Just over one third of sample producers have disclosed quantitative GHG emission reduction targets, allowing stakeholders and investors to track progress.
- Two more producers have announced “Net Zero” emissions targets since the Summer 2021 Tracker, but fewer than 25% of all sample producers have established “Net Zero” goals.
- Many producers have formed ESG committees and are disclosing certain social and governance achievements such as board-level diversity statistics, investments in the community and worker safety statistics.
- SEC registrants continue to increase disclosures around climate-related risks and climate change, with most producers including risk factors in regulatory filings on several key issues facing the industry.

The full report, including other key takeaways, can be viewed [here](#). Haynes Boone and EnerCom will continue to monitor mid-sized onshore oil and gas operators' SEC filings and other disclosures to track and report on ESG policies and trends among onshore oil and gas producers. An updated Oil & Gas ESG Tracker, which will address disclosures and trends among proxy statements, is scheduled to be released in the Summer of 2022.

Haynes Boone is an international corporate law firm with 18 offices, spanning Texas, New York, California, Charlotte, Chicago, Denver, Washington, D.C., London, Mexico City and Shanghai, providing a full spectrum of legal services in energy, technology, financial services and private equity. With 600 lawyers, Haynes Boone is ranked among the largest U.S.-based firms by The National Law Journal, The American Lawyer and The Lawyer. It was recognized in the BTI Consulting Group's 2022 "A-Team" report, which identifies the law firms that in-house counsel commend for providing superior client service.

EnerCom, Inc. is an internationally recognized management consulting firm advising companies on environmental, social and governance (ESG), investor relations, corporate strategy/board advisory, marketing, analysis and valuation, media, branding, and visual communications design. Learn more [here](#).