

Announcer ([00:00](#)):

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Michael Taylor ([00:39](#)):

Hello and welcome to Greenberg Traurig's Workplace Safety Review Podcast, where we discuss topics of the day related to workplace safety and health. I am Michael Taylor, your host and chair of the firm's OSHA Practice Group. I'm based out of our Washington DC and Northern Virginia offices.

Michael Taylor ([00:57](#)):

Joining me is cohost, Adam Roseman. Adam is a member of the firm's OSHA Practice Group, and he's based in the Philadelphia office. Greenberg Traurig has offices all over the world with about 2300 lawyers. If you'd like to learn more about the OSHA Practice Group, please go to [www.gtlaw.com](http://www.gtlaw.com).

Michael Taylor ([01:19](#)):

We are really excited about our next guest Morgan Hager, Vice president of Health, Safety, Environment, & Regulatory at Chesapeake Energy. Morgan is an expert in creating, optimizing, managing, and implementing impactful environmental, social, and governance strategies for the downstream, midstream, and upstream segments of the oil and gas industry's value chain.

Michael Taylor ([01:47](#)):

With more than 15 years of experience in international exploration, development, and refining of hydrocarbons around the world, Morgan has a deep experience building governance programs and improving operational efficiency to meet the environments of complex, transnational regulatory frameworks.

Michael Taylor ([02:07](#)):

Morgan holds a BS in Environmental Science from the University of Central Arkansas, an MS in Environmental Engineering from the University of Arkansas. She's an active board member for the Oklahoma Engineering Foundation, American Heart Association of Central Oklahoma, and the Energy Council's North American Energy Transition Advisory Board. Welcome Morgan.

Morgan Hager ([02:31](#)):

Thank you. I appreciate you having me.

Michael Taylor ([02:33](#)):

We're so excited to have you on, so let's just jump right into it. Can you tell our audience a little bit about your background and how you started your career in HSC and ESG?

Morgan Hager ([02:48](#)):

Absolutely. So right out of graduate school, I joined the oil and gas industry. The company I was working for had seen a generational gap in their engineering leadership, so hired four engineers, and I was one of those to broadly train across the downstream market at their refineries, terminals and ethanol plants.

Morgan Hager ([03:06](#)):

I had the opportunity to work in nearly every aspect of the technical side of the business, which included reliability, planning, operations, turnarounds, and HSE, amongst some other groups. After travel the country and the world for them for a couple of years, I moved into an HSE role at their corporate office. I really enjoyed the problem solving side of the business, looking for cost efficient, yet effective solutions.

Morgan Hager ([03:33](#)):

So after spending some time in the corporate office, I was given the opportunity to expand my knowledge base and move into the upstream side of the business, working in their Gulf of Mexico and US onshore exploration and production assets and pieces of the international business.

Morgan Hager ([03:48](#)):

It was really the pace of the upstream business that really lured me in. Every day there's a new problem or opportunity for continuous improvement. So in that role is really where I touched all of the aspects of health, safety, environment, regulatory affairs, and where I discovered ESG environmental social governance.

Morgan Hager ([04:06](#)):

It was right after that, that I moved to Chesapeake. So in 2018, I moved to Chesapeake Energy to be their Vice President of HSER, where I work with some of the most talented individuals in the industry. I've really had a fun, enjoyable career and look forward to seeing how, and being a part of how HSE and ESG evolves within the industry, making our workplaces safer and better environmental stewards, all while driving energy forward to meet the needs of our world.

Adam Roseman ([04:35](#)):

So, Morgan, I think we all hear the term ESG or environmental, social, and governance thrown out there, but help us in the audience understand what does that mean? And then the second part is, how does sort of health and safety of employees in the workplace fit into that?

Morgan Hager ([04:51](#)):

Yeah, so environmental social governance refers to three material criteria in which sustainability and positive social bearing of an investment in a company is measured, which is a lot of words to basically say, it is a mechanism for a company to discuss the things that they're doing really well and the opportunities for improvement of how they can drive their business forward.

Morgan Hager ([05:15](#)):

The environmental criteria include everything from greenhouse gas emissions, water recycling, biodiversity, site assessment, waste management, pollution of really any kind. And obviously, HSE programs are really closely aligned with these metrics and anchor that strategy. On the social side, working conditions and health and safety are the anchor. So it's nothing changed from something that we've already been doing. It's naturally ingrained within HSE professionals. It's fostering the care for, and the relationships with the people that you work with, whether those are employees, contractors, customers, or communities in which we operate.

Morgan Hager ([05:56](#)):

And then the last piece is the governance piece. And that piece is a little bit outside of the traditional HSE role, but is overarching on top of it. So it's an internal system to make effective decisions, complying with the law and meeting the needs of the external stakeholders. With that being said, ESG is tightly fit within HSE, but it also is a multidisciplinary effort, which can only be successful when it's all hands on deck.

Michael Taylor ([06:26](#)):

Interesting. So let's say you want to invest in particular companies, is this how a person can, if ESG is very important to someone, this is what they can look to in terms of how they can invest in a particular company? Is that how it works?

Morgan Hager ([06:45](#)):

Yeah, exactly. So when you think about how stocks are categorized, there's lots of different frameworks to look into a stock. And one of those is ESG, to see if that aligns with your values. Are they moving in a direction that is environmentally a steward, positive? Are they looking for climate change? What are they including within their movement as the business continues towards profitability?

Michael Taylor ([07:13](#)):

And who makes that determination?

Morgan Hager ([07:16](#)):

So that is definitely driven for the top down. So spoken from the two companies that I've been engaged with on ESG, the board of directors and the executive team are definitely leading that charge or saying, this is a part of our value system. This is who we are as a company. And it gets infiltrated into all aspects of the business.

Michael Taylor ([07:40](#)):

And then rating companies, do they get this information? And then they give companies a certain rating on their commitments to ESG, is that how it works?

Morgan Hager ([07:52](#)):

Yeah, absolutely. So there are a lot of different rating agencies out there, and some of them are MSCI, Bloomberg, S&P Global, Moody, Sustainalytics, which is a subsidiary of Morningstar. And they look at your company's public disclosures. They'll also have conversations with you directly and give you a rating, which helps investors make the decisions on which companies they would like to invest their money in.

Adam Roseman ([08:20](#)):

So, Morgan, this is, obviously it's a safety and health podcast, so help us understand, I guess the S or the social part of ESG and how safety impacts a company's rating and where's the safety piece on the social side? It can't just be hard hats and goggles, right? So help us understand how the safety and health factors in to this rating and ESG generally?

Morgan Hager ([08:50](#)):

Yes, safety is the foundation for the heart, is what I like to call it, of true sustainable development, because it's about keeping the people safe. It's about keeping the community safe and also the environment habitable. We want to make sure that we can live in the areas that we want to live in. And that is a piece of overarching safety that we often don't talk about in that sense. We tend to talk about it in hard hats and safety glasses. It goes into really making sure that all the workers return home, healthy and safe, every single day.

Michael Taylor ([09:28](#)):

So is the focus on, when you're relaying this message, for rating purposes and when you're dealing with worker safety and health, is it, this is how we're preventing hazards in the workplace and/or is it, this is how we're mitigating hazards or keeping them where the risk is not too great?

Morgan Hager ([09:49](#)):

Yeah, it's definitely both. So it's about being fully transparent about your program and what you're doing. So it's squarely centered in economic sustainability, whether it's a direct effect on workers or on the usage of the product, the potential risk is great. And so it's about mitigating that risk through, whether it's an engineering solution or it's a behavioral solution, and then sharing how we're doing that.

Morgan Hager ([10:15](#)):

That's one of the great things about safety is that it's something that it's frowned upon if you don't share it among your peers and how you're doing things better. And ESG is about being transparent, so it definitely goes hand in hand.

Michael Taylor ([10:30](#)):

Right. Right. What has driven the increase focus on ESG, and when did this start?

Morgan Hager ([10:38](#)):

Yeah. For Chesapeake, we've long been focused on safety and focused on environmental stewardship and focused on board and executive oversight that informed those values. Corporate responsibility is not new. It's not something new to align with national, international standards. And I would venture to say that a lot of come companies would say the same. The values are the same though, as HSE, focusing on protecting people, communities, environment, and ideals and principles.

Morgan Hager ([11:04](#)):

You'll hear me say that again and again, because it really is the heart of the intent of what we're doing with ESG and HSE. And then HSE provides that framework for being transparent about your progress and how you're addressing your focus and your next move. It's been recognized by investors that this is an opportunity for value creation. There's a strong correlation between ESG performance and company performance.

Morgan Hager ([11:31](#)):

And so there's an increased focus because there's theories of why that correlation exists, including adhering to ESG guidelines protects a company's future interests that would otherwise negatively impact their performance. So by protecting resources and having environmental practices, they stand to benefit from those choices over the long term, which in turn, influences your investors.

Michael Taylor ([11:54](#)):

Interesting. Well, when you're talking about worker safety and health being in the social part of ESG, how much can worker safety and health impact the ESG equation, if you will?

Morgan Hager ([12:11](#)):

It's a huge part of the equation, mainly because it can be a complete derailer of a program. So if you are not doing the basic most necessary step of a program, which is keeping people safe, then the rest of it loses focus. Primary focus for companies, it's a core value of ours, is to keep our employees safe. So it's ensuring that safety is not in a silo. It's making sure safety is well linked with operational performance. It's making sure that it reaches beyond tactical issues and really being integrated into those long term strategic initiatives.

Adam Roseman ([12:49](#)):

And Morgan, you talk about how safety and health is the backbone. What are the metrics that are used to get a company a better or worse rating? I mean, obviously everyone's familiar with DART rates and injury and illness rates, but are there other sort of metrics or both qualitative and quantitative, that improve or hurt a company's ESG rating from a safety and health perspective?

Morgan Hager ([13:17](#)):

Yeah, definitely. TRIR, DART, those terminologies are included in ESG because it's something that makes it easy to compare one company to another. It's something that all HSE professionals can look at and very quickly assess a safety program. But as we all know, those are lagging indicators. And so it's about including some of your leading indicators and how are you training your employees? What opportunities are you making available for them? What are you thinking strategically from a design and operational standpoint to preventatively mitigate incidents? And so it's about transparently communicating, both the leading and the lagging.

Adam Roseman ([13:56](#)):

And is there a sort of leading indicator that Chesapeake has done that you're particularly proud of? I'm just curious, because I think all safety and health professionals understand the lagging indicators that we just talked about. But the leading indicators are the interesting and maybe harder to measure statistics or metrics.

Morgan Hager ([14:17](#)):

I think the difficult part with the leading indicators is that you have to keep an eye on them and change them frequently. So once you've gotten a handle on a certain aspect of the business, it's about recognizing that and shifting those leading indicators and not becoming really static. Safety is no longer a one and done and put a program in place and walk away type of process. It's about reevaluating constantly, looking for new opportunities.

Morgan Hager ([14:44](#)):

A big one for us has been training. So looking at specific trainings from incidents, doing an artificial intelligence examination of events, and trying to implement programs that would steer us in the right direction before we had a serious incident occur.

Adam Roseman ([15:04](#)):

Yeah. Morgan, it's interesting you talk about that, because I think what, what we're seeing, what Mike and I are seeing from safety and health professionals is that a lot of companies have training, but is the training effective and is it addressing a near miss or such that it's actually impacting behavior? And it sounds to me that your point is that you guys are at least trying to take safety training to the next level, such that it is truly part and parcel with the day to day operations for employees.

Morgan Hager ([15:34](#)):

Absolutely.

Michael Taylor ([15:36](#)):

It seems like it's becoming more of a focus each year, based on what I'm reading, ESG, as a function of corporate culture. What steps would you advise companies to take to ensure that safety remains front and center in ESG?

Morgan Hager ([15:55](#)):

Yeah. In a culture of sustainability, everyone understands what is important to measure and that without measurement, it's difficult to make anything happen. So it's about integrating consistent, reliable health and safety metrics into your sustainability strategies. Any discussion about workplace safety that doesn't involve metrics is really futile.

Morgan Hager ([16:20](#)):

So balancing those lagging and leading indicators will not only help the progress of our programs in a positive direction, but also drives our sustainability efforts. It's much easier to focus on your environmental efforts, your governance efforts when you know that your folks are going home healthy and safe every day.

Michael Taylor ([16:43](#)):

Morgan, if you could communicate anything to the world about ESG and HSC, what would it be?

Morgan Hager ([16:53](#)):

Ooh, this is a fun one. I would probably say that I would tell the world that we're listening and that we are continuing to ramp up our efforts, so keep telling us what you want to see and what you want to hear about. And for HSE professionals, for ESG professionals, that the time is now. It's past time for companies to be embracing strong ESG and HSC cultures, and that we need to be driving our strategic roadmaps towards our net zero, but moving it in a way that's from ambition to delivery. So I guess basically, it's time to walk the sustainability talk.

Michael Taylor ([17:38](#)):

That's fantastic. Morgan, thank you so much for being on the show. This has been wonderful. I know this has been very helpful to Adam and I, which I know will be very helpful to our listeners. So we really appreciate you taking the time to talk to us today about a very timely, sensitive, and important topic.

Morgan Hager ([18:01](#)):

Thank you very much. It's the topic I enjoy very much. I appreciate the opportunity.

Michael Taylor ([18:06](#)):

You bet.

Adam Roseman ([18:07](#)):

Thank you so much, Morgan.

Michael Taylor ([18:09](#)):

Thank you for listening and tune into the next episode of Workplace Safety Review Greenberg Traurig's OSHA Podcast.