

Speak fluently about ESG & sustainability

Defining common terms.

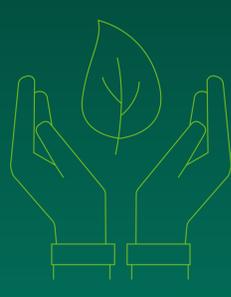


What is ESG?

ESG (Environmental, Social, Governance) provides a view of a company and its long-term value potential and relevance to its stakeholders. An ESG rating measures environmental and social impacts and the effectiveness of corporate governance in managing them.

Organizations create ESG STRATEGIES

to help them act on and measure what is mutually good for profits, people and the planet.



What's included in ESG criteria?



Environmental Criteria

Considers environment-related impact and risks – and what the company may or may not be doing to reduce or mitigate them.

Examples:

Carbon footprint, waste management, pollution, and sustainability efforts that make up its supply chain.



Social Criteria

Includes social impact generated by relationships with the company's workers, customers, suppliers, and its communities.

Examples:

Workplace safety, wellbeing and culture, diversity, equity & inclusion, customer satisfaction, and data privacy.



Governance Criteria

Details roles, responsibilities, and expectations to ensure good decisions are made for customers, employees, shareholders regulators and the community.

Examples:

Board member composition, executive pay & rewards, and how a company conducts audits and operates ethically.



What is sustainability?

Sustainability is a focus on business strategies that generate long-term value and benefits for all stakeholders.

A strong sustainability strategy integrates environmental, social, and governance factors into important business and operational decisions.

Today, **80%** of the world's **5,000** biggest companies report their sustainability performance.



What are some other common terms?



Corporate social responsibility (CSR)

Refers to activities aimed at holding businesses accountable for making a positive impact on the environment, consumers, employees, and communities. CSR is associated with a company's internal commitment to strong corporate values.



B Corp

Short for Certified B Corporations; "Businesses that meet the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose." Today, there are over 4,000 Certified B corporations.



Triple bottom line (TBL)

A term coined by author and sustainability authority, John Elkington, in 1994. The TBL theory says that instead of one bottom line, there should be three: profit, people, and the planet.



Climate change

A change in the composition of the global atmosphere which causes climate variability and/or anomalies when compared over periods of time – attributed directly or indirectly to human activity.



We can help you turn your ESG intent into action.

We'll work with you, not only to shape your ESG and sustainability strategy but to develop and articulate an action plan that organizes and activates your people to deliver on your ESG objectives.

[Find out more](#)

Learn the 5 critical people-related questions we believe you need to ask and answer about ESG.

