

## Understanding ESG: An ACCP Summit - Takeaways

*Now that you've attended ACCP's 2022 ESG Summit, here are items to consider as you look to develop your ESG strategy, incorporate CSR efforts into your company's existing ESG strategy, or take current efforts and reframe them as part of ESG strategy.*

### An Overview of ESG

- ESG is about the non-financial issues that drive a company's reputation. It is not a separate approach; it is how you do business and is embedded throughout the organization.
- ESG is moving from siloed work to an integrated approach. This work is an ongoing exercise in diplomacy, and the role of an ESG practitioner is like air traffic control – providing a coordinated view to help navigate each group to find information, directing people and resources to the right areas, sifting through changing priorities, and delivering material on time.
- CSR practitioners need to understand how their work overlaps with the ESG strategy to have a voice in the strategy.
- An ESG strategy should use understandable language (for example, "Our Responsible Journey") - simple and meaningful, based on your material issues - to allow people to see where they fit into the strategy.
- There is increased focus on the "S" in ESG, and ESG practitioners should consider the social implications of their business.
- ESG practitioners can't do everything, so they must focus on what is most important for their company. When developing an ESG strategy, ask: "What is our business/company uniquely qualified to solve?"

### Materiality

- A materiality assessment is a business tool to help prioritize and provide input into the ESG strategy. The process of undergoing a materiality assessment can be used to get buy-in for the ESG strategy.
- Assessments inform and enhance communications, get the company ahead of trends, require research into competitors, and help meet stakeholder expectations.
- Components of materiality assessment include - identifying the issues relevant to the organization, researching the issues affecting the business, engaging with stakeholders to define prioritized issues, agreeing on the development of a materiality matrix, and finalizing outputs to bring clarity.
- A materiality assessment is a snapshot in time, and ESG practitioners can modify priorities and adjust the strategy as priorities change. A recommendation is to do a full evaluation and then every three years, do a refresh.

### Stakeholders

- There are many stakeholders relevant to an ESG strategy, including investors, employees, customers, suppliers, and regulators. It is essential to balance the needs and opinions of the various stakeholder audiences against the company priorities and ESG strategy. The materiality assessment and company strategy are inputs that can help inform what stakeholder groups need from the ESG team.

- When communicating with the various stakeholders, consider having a little something for everyone – intricate and detailed in some parts and conversational in others so stakeholders can explore their interest areas.
- There is an increased focus on employee-specific programs and policies and how the ESG strategy impacts employees, as every employee has a role to play in working to improve the company. Companies should consider establishing mechanisms for listening to employees and empowering them to become champions of change. However, ESG practitioners should also be aware of employee passions that do not focus on material issues and their capacity to generate impact.

## Reporting & Disclosures

- The ESG report is not a strategy; it is a tool by which you communicate the strategy.
- When starting an ESG report, ask who the stakeholders are who most need this information; look at climate change, human capital management, and company culture to decide how to tell the stories; and try to think ahead of what questions stakeholders will have.
- The most challenging data to collect is data from employees, for instance, data from their commute or home footprint. ESG practitioners should ensure there is a data strategy to capture employee information.
- ESG and CSR practitioners serve as the chief impact storyteller and should make sure that the ESG story is intentional, able to be found by stakeholders and linked to strategy. It's not about just being good but getting the metrics together to show cause and effect and drive performance.
- ESG practitioners anticipate increased regulations around disclosures, standardization/consolidation of frameworks, and an end to voluntary reporting.

## Additional Resources

- [Brodie](#)
- CECP: [Global Impact at Scale](#)
- [FigBytes](#)
- [Future-Fit Business](#)
- GRI: [The Materiality Madness](#)
- Samsonite: [Our Responsible Journey](#)
- SASB: [Materiality Finder](#)
- [Sphera](#)
- [TCFD](#)
- WeSpire:
  - [Can You Explain Your ESG Strategy?](#)
  - [Does Working from Home Help the Environment?](#)
  - [Every Leader Needs to Understand ESG](#)
  - [How ESG Programs Can Combat the Great Resignation](#)
  - [The ABCs of ESG](#)
  - [ESG Engagement Maturity Quiz](#)
  - [Intention to Impact A Guide for Getting Started with ESG](#)

