

How ESG Values Help Your Company's Success

Contributors & Sources:

Janna West-Heiss, Solaris Energy, McKinsey, Five Ways ESG Creates Value, & Harvard Business Review, The Comprehensive Business Case for Sustainability

WHAT IS ESG?

ESG stands for environmental, social, and governance. It is a way to evaluate a company, including its operations, culture, investments, strategic decisions, etc.



- Environmental: Resource consumption, waste, carbon footprint, etc.
- Social: employee well-being, labor relations, diversity, equity, inclusion (DEI) principals, etc.
- Governance: ethics, transparency, controls and procedures.

THE BUSINESS CASE

CASE

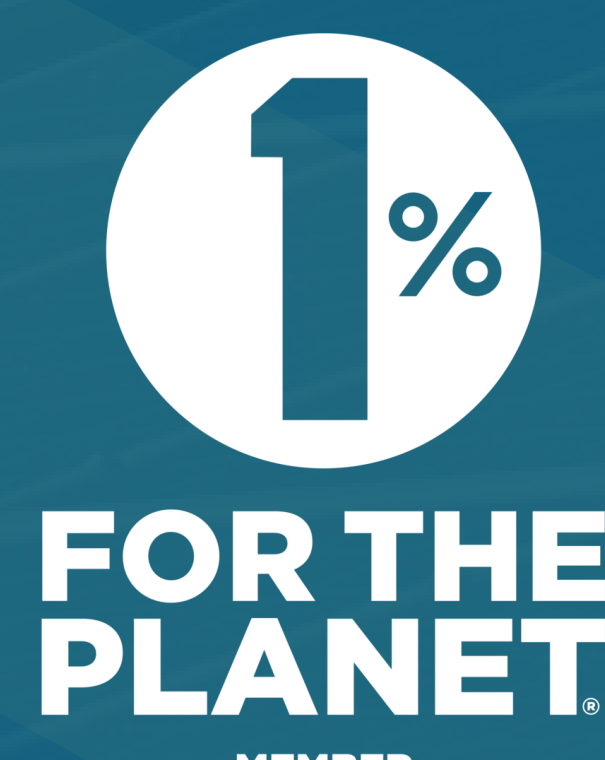
There are many benefits to incorporating ESG principles into your company. A few of the most cited are:

- E** **Increase Profit:** Resource efficiency has proven to reduce operating expenses up to 60%.
- S** **Improve Productivity:** creating a culture based on ESG principles gives employees a sense of purpose and leads to greater retention, higher quality candidates and increased productivity.
- G** **Reduce Risk:** 35-45% of our industry's profit is tied to regulatory decisions. Companies that incorporate ESG principles reduce risk of adverse government action. In addition, positive relations with stakeholders can reduce unexpected supply chain interruptions.

IMPLEMENT IT

The business case benefits can only be reaped if ESG is truly implemented throughout the company. Third-party certifications and reporting standards can provide a roadmap, institutionalize, and ensure honesty with customers and stakeholders.

This is not an all-inclusive list, but here are several well-renowned certifications & reporting entities to consider:



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