Practical, provocative, fun, food for thought for nonprofits

Why ESG is Important to Your Nonprofit - Live Q&A

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How to Participate Today

- Open and Close your Panel
- Raise your hand
- View, Select, and Test your Audio
- Submit text questions
**Why ESG is Important to Your Nonprofit - Live Q&A**

**Agenda**

- What is ESG?
- Why Should ESG Matter to Nonprofits?
- Why Mission-Driven is Not the Same as ESG
- Integrating ESG Principles Into Your Mission
- Communicating Your ESG Efforts
What is ESG?
Environmental, Social, and Governance (ESG)

ESG is a corporate strategy that focuses on the three pillars of the environment, social, and governance.

- **Environmental**
  - Renewable fuels
  - Greenhouse gas (GHG) emissions
  - Energy efficiency
  - Climate risk
  - Water management
  - Recycling processes
  - Emergency preparedness

- **Social**
  - Health and safety
  - Working conditions
  - Employee benefits
  - Diversity and inclusion
  - Human rights
  - Impact on local communities

- **Governance**
  - Ethical standards
  - Board diversity and governance
  - Stakeholder engagement
  - Shareholder rights
  - Pay for performance
Environmental, Social, and Governance (ESG)

**Environmental** factors refer to an organization’s environmental impact(s) and risk management practices.
Environmental, Social, and Governance (ESG)

Social factors refer to an organization’s relationships with stakeholders.
Environmental, Social, and Governance (ESG)

**Governance** factors refer to how an organization is led and managed.
Why Should ESG Matter to Nonprofits?
Why Should ESG Matter to Nonprofits?

- Greater social/environmental impact
- Required by investment policy
- Donors might expect it
- Improve organization’s reputation
- Enhance resilience to climate change
- Financial return
Why Mission-Driven is Not the Same as ESG
### Why Mission-Driven is Not the Same as ESG

<table>
<thead>
<tr>
<th><strong>Your Organization's Mission</strong></th>
<th><strong>Your Organization’s ESG Principles</strong></th>
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<td>Should outline its goals and how it achieves those goals.</td>
<td>Should guide how those goals are carried out.</td>
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Integrating ESG Principles Into Your Mission
Integrating ESG Principles Into Your Mission

- Take a look at what you are already doing
- Use ESG principles to guide stakeholder relationships
- Make ESG objectives obvious to stakeholders
- Encourage current governance to include ESG oversight
Communicating Your ESG Efforts
Communicating your ESG efforts

- Make a communication plan
- Track your efforts and results
- Collect stories, not just data
- Look for allies to help tell your story
- Beware of political landmines
Q and A
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