



# ESG Change Management Checklist



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Most ESG reporting frameworks are known to be voluntary, however, businesses should start familiarizing themselves today to prepare for the future when certain frameworks may be mandated for participation in supply chains and opportunities for investments, export, and more.

This ESG Change Management Checklist was created to showcase some of the common sustainability questions from the many ESG reporting frameworks that exist, so businesses have a general understanding of the types of questions it could be seeking to answer in preparation for future demands from customers and investors.

## Environmental

- 4 *Does your business know its annual greenhouse gas (GHG) emission levels?*
- 5 *Does your business know how much energy it uses and where all its energy supply comes from? (i.e. renewables, fossil fuels, local grid)*
- 6 *Does your organization have a plan for energy efficiency retrofits?*
- 7 *Does your business know how much waste it produces and sends to landfills?*
- 8 *Does your business give special consideration to green suppliers and to suppliers owned by equity-deserving populations?*
- 9 *Would your organization consider its business model as linear or circular, and does it intend to implement strategies to become a more circular business?*
- 9 *Does your business discharge water as part of its operations?*

## Social

- 10 *Does your organization donate a percentage of income to not-for-profits and charities to help create a positive impact in communities?*
- 11 *Does your organization have targets in place to ensure employees feel valued?*
- 12 *Does your organization have policies that are in the best interest of its employees?*
- 13 *Does your business have a process for the ethical handling of community and customer concerns?*

## Governance

- 14 *Has your business been asked about what it's doing to address environmental and social issues by customers, employees, or investors?*
- 15 *Does your business have targets and metrics for an ESG program, and if so, how do you monitor progress?*
- 16 *Does your business understand the top environmental and social risks to its operation?*
- 17 *Has your organization identified key stakeholders?*
- 18 *Does your business provide employee training on ethics?*
- 19 *Does your business have an Indigenous relations strategy?*

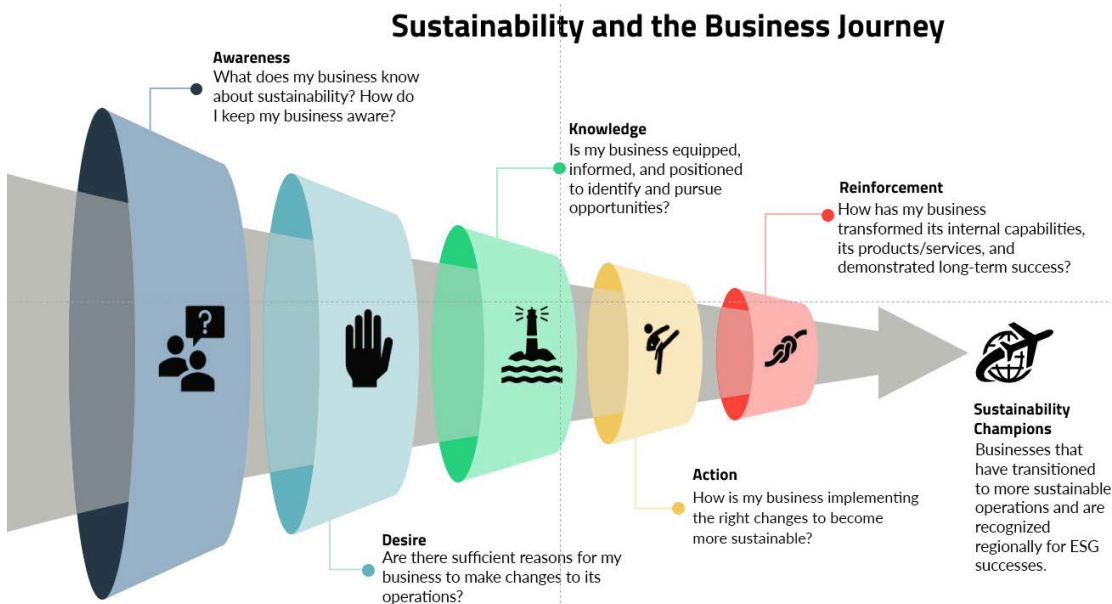
# ESG Change Management Checklist



## ESG Change Management Checklist

When implementing ESG practices, it is important to understand where the business is at today and where it wants to go, so that sustainability is embedded in every aspect of its operations and decision-making processes. Adopting ESG measures is a change management process in its own. The ADKAR change management model is a helpful tool to use when trying to determine what the process of adoption may look like for an individual and/or company. A is for awareness of the need for change, D is for desire to participate and support the change, K is for knowledge on how to change, A is for ability to implement desired skills and behaviors, and R is for reinforcement to sustain the change.

The below infographic was created using the ADKAR model, to give an idea of what the five phases within the change management process could look like for a business in its sustainability journey.





### Here's How ONB Can Support You:

- Tailored business development supports.
- Sharing education and training opportunities.
- Promoting your sustainability journey.
- Sharing sustainability resources and programs.

# ESG Change Management Checklist: Environmental



## Does your business know its annual greenhouse gas (GHG) emission levels?

-  **If Yes:**
- Does your organization have interim and long term reduction targets for scope 1, 2 and 3 emissions?
  - Does your business have a greenhouse gas (GHG) reduction goal aligned with a science-based target?
  - What are your organizations tangible plans to achieve its GHG goals?
-  **If No**
- Getting a head start on measuring and managing your organizations emissions can help you stay competitive as regulatory requirements change. Did you know, that in 2025 there will be a federal mandate for banks, insurance companies, and others to report on ESG, including their scope 3 emissions ? This means there will be knock down effect on businesses selling into larger supply chains.

# ESG Change Management Checklist: Environmental



## Does your business know how much energy it uses and where its energy supply comes from? (i.e. renewables, fossil fuels, local grid)



### If Yes:

- Does your business have a target for the percentage of energy used from renewable sources?



### If No:

- Did you know, energy usage can often account for most of an organization's emissions? When getting started on measuring and reporting emissions reductions, businesses often start with Scopes 1 and 2, as they can be the most manageable and tie into energy consumption.
- Have you heard of **NB Power's net metering program**? It gives businesses the option to generate its own clean electricity using solar, wind, etc. while remaining connected to NB Power's distribution system, so grid-electricity is still accessible when required.



# ESG Change Management Checklist: Environmental



## Does your organization have a plan for energy efficiency retrofits?



### If Yes:

- Is your organization leveraging support from any programs?
- Has your organization had an energy audit recently?





### If No:

- Did you know, energy efficiency retrofits can help save your organization on operating costs while reducing your organizations carbon footprint? There are support programs available to get started...
- **SaveEnergyNB's Business Energy Efficiency rebate program** offers back **25% of the cost** of energy efficient products and equipment!
- **SaveEnergyNB's Commercial Buildings retrofit program** offers **rebates up to \$8,000** for energy audits, and **up to \$1.25M** on the implementation of eligible energy efficient upgrade projects.
- **SaveEnergyNB's Industrial Energy Efficiency Program** helps with advice and incentives to cover up to **25%, 50% or 100%** of eligible project costs for small and large industrial facility managers in New Brunswick for projects, and energy management systems.

# ESG Change Management Checklist: Environmental



## Does your business know how much waste it produces and sends to landfills?

-  **If Yes:**
- What % of your organizations waste currently goes to landfills?
  - Does your business have a target for reducing/diverting its waste from landfills?
  - Does your organization track what % of its waste comes from paper, compost, metals, plastics, etc.
  - Does your business have tangible plans to achieve its reduction goals?
-  **If No:**
- Understanding where your organizations waste comes from and how much waste is being produced can help your business determine new ways to prevent the waste at its source, improve the effectiveness of its operations and improve its cost savings, all while helping your business measure the environmental impacts of its activities. Landfills emit heavy emissions and managing waste through reduction strategies like preventing it at the source, or implementing recycling and compost programs, can help to lower your organizations overall carbon footprint.



# ESG Change Management Checklist: Environmental



## Does your business give special consideration to green suppliers and to suppliers owned by equity-deserving populations?



### If Yes:

- Does your business follow a sustainable procurement policy?
- What percentage of your suppliers are “green”?
- What % of your supplier are owned by equity-deserving populations?



### If No:

- Has your organization ever considered the benefits of adopting a sustainable and social procurement policy? Considering supplier businesses that are green or owned by equity-deserving populations, could be later used as a competitive advantage when looking to expand or maintain your organization’s role in other supply chains.





# ESG Change Management Checklist: Environmental



## Would your organization consider its business model as linear or circular, and does it intend to implement strategies to become a more circular business?



### If Yes / No:

- Does your organizations products and services help customers reduce their negative impacts on the environment?
- Has your organization ever evaluated areas within its product development or within its services or operations, to recognize where it could become more environmentally accountable?

## Does your business discharge water as part of its operations?



### If Yes:

- Does your organization track its water usage?
- What % of water is safely and appropriately treated when discharged?
- Does your business have a water conservation target?
- Does your business have tangible plans to achieve its reduction goals?



### If No:

- Does your organization track its overall water usage or have a water conservation target? If so, does your business have a tangible plan to achieve its reduction goals?
- **Green Economy New Brunswick (GENB)** a non-profit organization that works with businesses to help get started on measuring, tracking, and reporting on many environmental indicators, including water conservation.

# ESG Change Management Checklist: Social



## Does your organization donate a percentage of income to not-for-profits and charities to help create a positive impact in communities?



### If Yes:

- Does your organization have a target or strategy?
- What not-for-profits or charities does your business support?
- Is a percentage of your businesses income represented by products and services offered at a reduced rate to undeserved communities?



### If No:

- Donating to social causes that tie into your organizational and consumers values can be beneficial for your brand and the community.

# ESG Change Management Checklist: Social



## Does your organization have targets in place to ensure employees feel valued?



### If Yes:

- Does your business have a target for the percentage of employees that are paid at least a living wage?
- Does your business have a policy regarding ratio of total CEO remuneration to average employee pay?
- Does your business have pension plan opportunities for employees?
- Does your business have an employee bonus, profit sharing and/or ownership opportunities?



### If No:



- Companies can benefit from employee satisfaction and retention by implementing transparent policies, plans and targets that are in their best interest.



# ESG Change Management Checklist: Social



## Does your organization have policies that are in the best interest of its employees?

-  **If Yes:**
- Does your business monitor, report, and have targets for the number of workplace injuries, safety incidents and fatalities?
  - Does your business provide benefits, parental leave, and paid support for lost time/ sick leave?
  - Does your business have policies, practices and programs that support mental well-being, including condemnation of workplace bullying and harassment?
  - Does your business have a published EDI policy and a published pay equity policy?
  - Does your business have a target for the percentage of women in senior management positions?
  - Does your business have targets for senior management diversity?
-  **If No:**
- Companies can benefit from employee satisfaction and retention by implementing transparent policies, plans and targets that are in their best interest.



# ESG Change Management

## Checklist: Social



### Does your business have a process for the ethical handling of community and customer concerns?



If Yes / No:

- Does your business collect the minimum amount of information required from customers to deliver your product or service?
- Does your business have a data security policy to protect confidential customer information?





# ESG Change Management Checklist: Governance



Has your business been asked about what it's doing to address environmental and social issues by customers, employees, or investors?



**If Yes:**

- What types of questions you are being asked about, and how is your business responding?
- What audience segment is asking your business these questions?
- Does your business need support to implement targets and report on progress relating to environmental and social issues?



**If No:**

- It's becoming more frequent that businesses are being asked about what they're doing to address climate change, support diversity and inclusion, and ensure good oversight of the company.

# ESG Change Management Checklist: Governance



## Does your business have targets and metrics for an ESG program, and if so, how do you monitor progress?



### If Yes:

- Does your business have public reports that include environmental and social performance results?
- Does your workforce understand the organizations ESG targets and feel equipped to contribute?



### If No:

- Environmental and social benchmarking are becoming as common as year-end financial reports, and if your business is looking to become ahead of the curve, there's many supports that can help get started with setting, measuring, and reporting on various ESG metrics. Connect with us to learn more!





# ESG Change Management Checklist: **Governance**



**Does your business understand the top environmental and social risks to its operations, including up and downstream of operations?**



**If Yes:**

- What ESG risks have been identified?
- How is your organization addressing these risks?
- Is there a mitigation and adaptation plan in place?



**If No:**

- Do you need support identifying these risks and how they can influence upstream and downstream supply chain capabilities?



# ESG Change Management Checklist: Governance



## Has your organization identified key stakeholders?





If Yes / No:

- Does your organization collaborate with industry peers on common ESG priorities?
- How does your organization ensure stakeholder priorities are addressed and considered in decision-making processes?
- Does your business ensure that it does not support organizations that lobby for actions that would undermine your organizational values, and progress towards a socially just, economically inclusive, and environmentally restorative society?

# ESG Change Management Checklist: Governance



## Does your business provide employee training on ethics?



-  **If Yes:**
- How long has ethics training been provided to employees?
  - Has your organization seen progress since implementing the training?
-  **If No:**
- Consider engaging your workforce in training on ethics to help improve the working environment and protect your business's bottom line.



# ESG Change Management Checklist: Governance



## Does your business have an Indigenous relations strategy?

-  **If Yes:**
- Has your business developed any relationships or partnerships with indigenous communities, or indigenous-owned businesses?
  - What are your targets within that strategy?
-  **If No:**
- Consider creating an indigenous relations strategy for your business, as we move forward together to advance reconciliation, ensuring collaboration and partnerships will be important with communities.



