

ESG Maturity Guide



Companies leading in ESG are not only benefiting from operational efficiencies but are also gaining a competitive edge in the marketplace. The simple questionnaire below will help you understand where you are on your sustainability journey. With the learnings, you will have insights to make your next move.

No matter where you are in your journey we can help you make your next move—whether you're laying the groundwork for an ESG strategy or refining an existing framework to achieve leadership in the field.



REQUEST A CONSULTATION

Contact our ESG Consultant, Robyn Kozera, today at rkozera@phillipsgroup.com.au to request a free consultation to discuss your next step toward ESG leadership.



Take the ESG Questionnaire

- 1 Does your organisation have a formal ESG strategy? Yes No
- 2 Do you regularly report ESG metrics against a baseline in alignment with recognised standards or frameworks (e.g., GRI, SASB, SDGs)? Yes No
- 3 Does your organisation actively engage stakeholders (e.g., customers, investors, NGOs) on ESG issues? Yes No
- 4 Is ESG integrated into your company's governance structure, with board oversight and accountability? Yes No
- 5 Has your organisation set measurable targets for reducing carbon emissions, including Scope 1, 2, and 3? Yes No
- 6 Do you have a comprehensive Diversity, Equity, and Inclusion (DEI) strategy with clear objectives? Yes No
- 7 Do you regularly communicate your organisation's ESG performance to stakeholders, such as shareholders, customers, and regulators? Yes No
- 8 Are ESG risks and opportunities part of your enterprise risk management process? Yes No
- 9 Does your organisation have programs focused on employee well-being, beyond meeting basic workplace standards? Yes No
- 10 Is your organisation actively involved in community engagement and creating measurable social impact? Yes No

Scoring

1-2 POINTS - **Beginner**

3-5 POINTS - **Pragmatist**

6-8 POINTS - **Expert**

9-10 POINTS - **Leader**

Your ESG
Maturity Score



Insights for each stage of your ESG journey

New starter (reactive)

Your ESG activities are minimal and mostly driven by external pressures like regulations or stakeholder demands. There is no formal strategy, and actions are typically reactive and largely focused on environmental issues like energy transition and net zero. You're looking to take your first steps to put more formal ESG processes in place.

Pragmatist (compliant)

Your company is aware of ESG principles and has begun to integrate basic ESG practices, mainly to meet regulatory requirements. You are looking for quick wins and typically focus more on managing risks than identifying opportunities. There are formal policies but they focus primarily on compliance and risk management, with some reporting of ESG metrics.

Expert (proactive)

ESG is integrated into your business strategy and operations. Your organisation actively seeks to improve its sustainability and social impact, setting measurable ESG goals and initiatives. Reporting is transparent, and based on science-based targets and the company engages stakeholders regularly, aiming to continuously improve.

Leader (transformational)

Purpose and sustainability is fully embedded into your company's core mission and operations and enables you to drive improvements across the entire business. The organisation leads in ESG innovation, setting industry benchmarks. It not only achieves measurable positive impacts but also inspires systemic change through collaboration and thought leadership, influencing the broader market and society.

What's your next move?

- ▶ Invest in training leadership and employees on the fundamentals of ESG.
- ▶ Conduct an ESG materiality assessment to understand where to focus your attention and resources.
- ▶ Engage with key stakeholders to understand their expectations around ESG.

- ▶ Create a comprehensive ESG strategy aligned with company values and long-term goals.
- ▶ Define clear ESG goals and KPIs for areas like carbon emissions reduction, social equity, and governance.
- ▶ Broaden engagement to include suppliers, partners, and customers to encourage alignment on ESG priorities across the value chain.

- ▶ Focus on achieving deeper impact through innovation in sustainable practices, such as circular economy models, renewable energy adoption, or advanced diversity initiatives.
- ▶ Form a dedicated ESG committee at the board level to oversee the ESG strategy.
- ▶ Foster a culture where employees are actively involved in the company's ESG mission through participation in programs, or volunteerism.

- ▶ Focus on ESG innovation to create transformational change, such as developing new sustainable technologies, or redefining business models to deliver positive social and environmental impact.
- ▶ Expand ESG beyond operations, ensuring ESG principles are embedded in investment decisions, mergers, and acquisitions.
- ▶ Maintain a culture of continuous improvement by staying at the forefront of emerging ESG trends, technologies, and best practices.

Key considerations

- ▶ Are you aware of the key ESG risks and opportunities specific to your industry?
- ▶ How do regulatory requirements and stakeholder expectations impact your business?
- ▶ What are the most pressing environmental, social, or governance issues for your company?

- ▶ Are you only meeting the minimum compliance standards, or are there opportunities to go beyond?
- ▶ How well are you tracking and reporting ESG performance? How well are you telling your story?
- ▶ How can you align your ESG strategy with your overall business goals?

- ▶ How do you integrate ESG into every aspect of our operations and decision-making?
- ▶ What are your customers saying about you? What are your suppliers saying? What are your employees saying?
- ▶ What are the emerging ESG trends you should start addressing now (e.g., biodiversity, climate resilience, human rights)?

- ▶ Are you leading industry-wide collaborations to solve global ESG challenges?
- ▶ How are you measuring the value you're delivering to stakeholders?
- ▶ Are you aware of the pressure points in your ESG ecosystem? What could erode stakeholder trust?



About Phillips Group

Phillips Group is a world class, full service Australian communication, creative and digital consultancy with a global reach.


We partner with our clients to drive success, protect, and grow their reputation and brand, build trust with their stakeholders, and create change that matters through strategy, bold ideas, and action.

Our ESG and Sustainability practice complements the existing communication services of understanding the strategic and operational challenges and risks that organisations are facing as they seek to respond to and manage regulatory and stakeholder expectations for ESG action and reporting.

Phillips Group's highly experienced ESG and Sustainability team provide strategic advisory and communication support to corporate, industry and government leadership on identifying critical sustainability/ESG-related business risks and opportunities, developing ESG communication strategy, engaging stakeholders on ESG issues, effectively communicating ESG commitments and activities, and building a strong sustainability proposition that drives long-term success and delivers value to all stakeholders.

Contact our ESG Consultant, Robyn Kozera

 rkozera@phillipsgroup.com.au

 (07) 3230 5000

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