

WHITE PAPER

# Start Your ESG Journey:

Build a Sustainable Future with Confidence



# Why ESG Matters

Environmental, Social, and Governance (ESG) criteria are reshaping how businesses operate and are evaluated. Not only do investors and customers increasingly value responsible corporate practices, but effective ESG management also drives long-term business success. Beginning your ESG journey can feel daunting, but with the right framework and a clear plan, your company can build a strong foundation for sustainable growth.

Often, companies are driven towards ESG goals based on the companies with which they do business. For example, ESG standards for construction companies may be driven by the firms that select them, or manufacturing companies are governed by the companies who choose them to manufacture their products. These companies are in turn governed towards ESG initiatives by their constituents or consumers. **Without maintaining proper ESG metrics, your ability to garner additional work is diminished.**



# 3 Steps To Kickstart Your ESG Program

**Step 1:**  
Set Clear Goals

**Step 2:**  
Create an Action Plan

**Step 3:**  
Engage Stakeholders



## **Step 1: Set Clear Goals**

Establishing your ESG goals is the critical first step. These goals should align with your company's values and operations, or those governed by the organizations you do business with. Whether it's reducing carbon emissions, improving social equity, or enhancing governance practices, your goals should be:

**Clear and measurable:** Define exactly what you want to achieve. For example, you would like to reduce your carbon footprint by 20% over the next 5 years by switching your manufacturing plants to use renewable energy sources and restructuring your supply chain to use more fuel-efficient transportation methods

**In sync with business strategy:** ESG should align with your core business values. For example, a retailer might invest in regenerative organic agriculture for raw materials and promote circular business models, such as repair services and resale of used goods

**Realistic and time-bound:** Set achievable milestones to track progress. For example, a construction company may set a goal to be carbon neutral by 2045 by cutting their direct carbon emissions using electric construction vehicles and sustainable building materials like low-carbon concrete

## Step 2: Create an Action Plan

After setting your goals, craft an action plan that outlines how you'll achieve them. Break down your objectives into manageable actions that can be tracked and monitored.

**Be sure to integrate ESG responsibilities across departments to ensure that everyone plays a role in success.** This plan can start simple by listing the goals you set in step one, assigning departmental stakeholders who are responsible for each piece, and explaining the how's and why's of these initiatives.



## Step 3: Engage Stakeholders

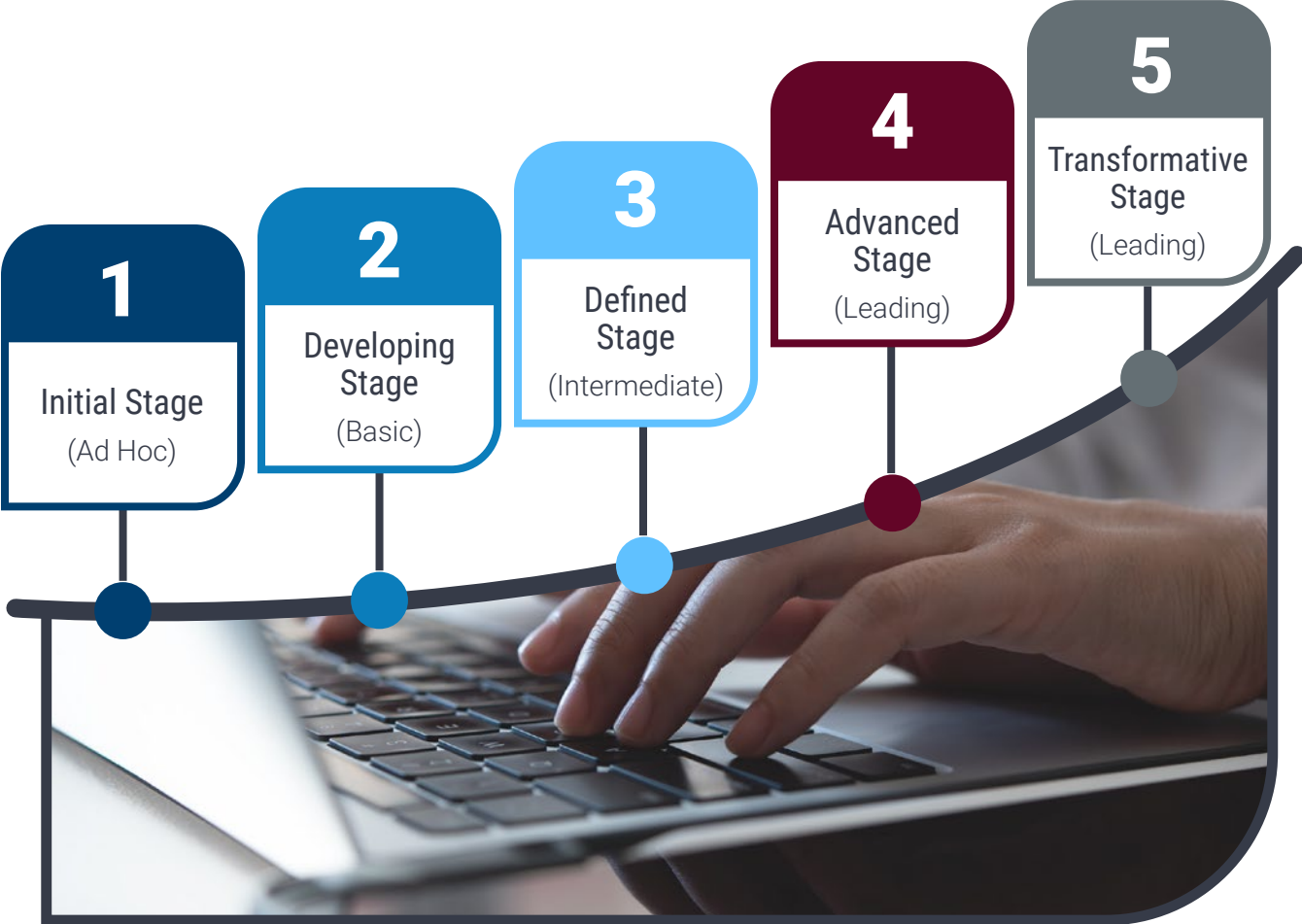
Engaging employees, customers, investors, and even local communities is essential for driving progress. Get their input to understand what matters most and gain valuable insights. Transparent communication will build trust and ensure alignment in your ESG vision. **Make sure to report on and communicate the improvements towards your goals on a defined, regular cadence.**



# ESG Maturity Curve: Measure Your Progress

As you begin your ESG program, it's helpful to understand where your organization stands on the ESG Maturity Curve. This five-stage model helps organizations assess their current capabilities and identify areas for growth. Everyone starts somewhere, with most companies starting at stage one, and progressing through the stages over many months or even years.

No matter where you start, **progressing along the ESG Maturity Curve will enable your company to enhance its sustainability, strengthen stakeholder relationships, and ensure long-term business viability.** As you move up the curve, your ESG program will become more sophisticated and more aligned with both regulatory requirements and global sustainability goals.





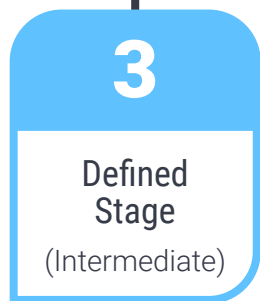
### Initial Stage (Ad Hoc)

At this stage, ESG activities are uncoordinated, and organizations primarily focus on regulatory compliance. Data collection is minimal, and strategies are reactive. Your goal here is to raise awareness of ESG's importance and set up foundational structures for more effective management.



### Developing Stage (Basic)

Here, companies start to formalize their ESG approach, establishing initial policies and frameworks. They begin tracking basic metrics and engage with stakeholders. The goal at this stage is to start gathering data and developing consistent reporting practices.



### Defined Stage (Intermediate)

At this point, ESG is integrated into core business operations. Companies establish governance structures, improve data collection, and align with standardized metrics. The focus here is on embedding ESG into daily decision-making processes.



### Advanced Stage (Leading)

Organizations at the Advanced Stage have mature ESG practices. They actively manage risks and opportunities, engage with stakeholders, and report progress using well-recognized frameworks such as GRI or SASB. The goal now is continuous improvement, staying ahead of industry trends, and ensuring proactive management.

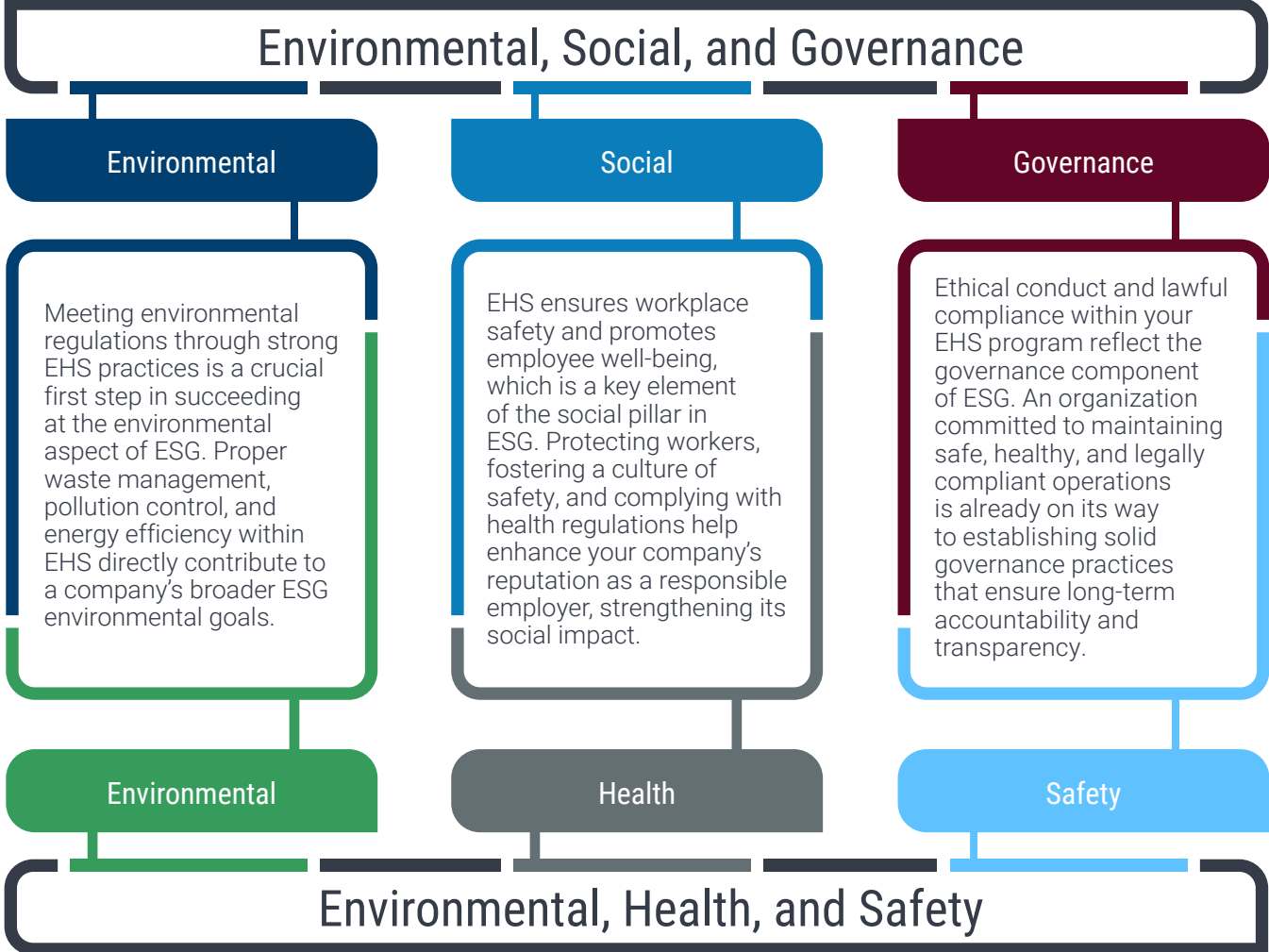


### Transformative Stage (Innovation)

At the final stage, ESG is fully embedded in the corporate culture. Companies lead the way in ESG best practices, influencing industry standards, and driving policy change. Reporting is transparent, and measurable impact assessments are a key part of this stage's success.

# How ESG and EHS Overlap

ESG (Environmental, Social, and Governance) and EHS (Environmental, Health, and Safety) are interconnected, with success in one often supporting success in the other. Here's how they align:



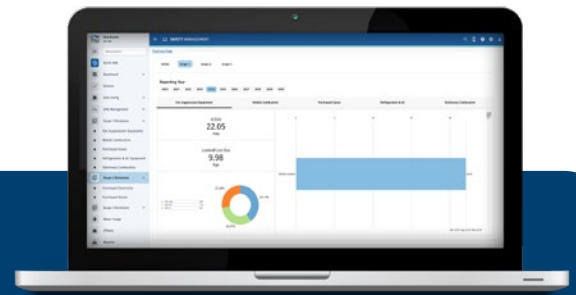
In other words, effective EHS management lays the groundwork for ESG success. If you're not excelling in EHS, it's unlikely you'll succeed in ESG. Environmental compliance, health and safety, and lawful conduct form the backbone of your ESG strategy. **By aligning your EHS initiatives with your ESG goals, you can create a comprehensive sustainability framework that addresses both internal operations and broader societal impacts.**

# Why Choose HSI for Your ESG Journey?

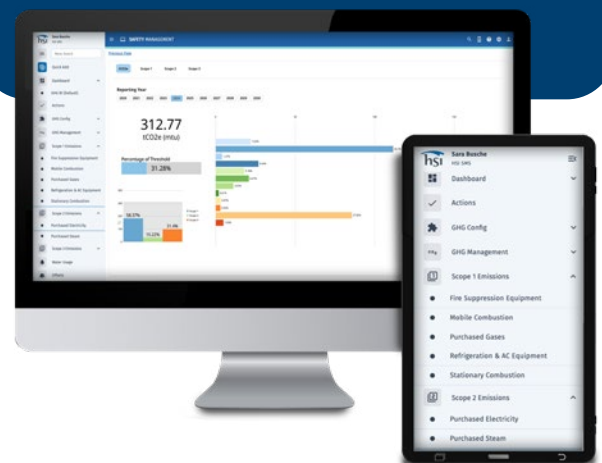
With HSI's integrated platform, your ESG program is supported by advanced data management tools, real-time reporting, and a unified approach to sustainability. The HSI Platform offers everything you need, from EHS, to Learning & Development, to Chemical Management—ensuring all areas of your business are interconnected. ESG is a natural extension of EHS, and having a platform where every aspect of your operations interlinks allows you to get a true representation of your organization's performance, identify gaps, and understand where improvements are needed.

With HSI, you gain a comprehensive view of how you're truly performing and actionable insights on how to make it better. Plus, the platform grows with your organization, providing a scalable solution that adapts to your evolving needs across compliance, safety, and sustainability.

**Choose HSI and equip your business with a solution that supports your ESG goals today while paving the way for long-term growth and success.**



With HSI's integrated platform, your ESG program is supported by **advanced data management tools, real-time reporting, and a unified approach to sustainability.**





# Ready to Get Started?

Reach out to HSI today to learn how we can help your organization start its ESG journey and progress up the ESG Maturity Curve. Let's work together to build a sustainable and resilient future.



## About HSI



HSI is your single-source partner for EHS, Compliance, and Professional Development solutions. HSI provides integrated e-learning content, training solutions, and cloud-based software designed to enable your business to improve safety, operations, and employee development. Across all industries, HSI helps safety managers, and technical employees, human resources, first responders, and operational leaders train and develop their workforce, keep workers safe, and meet regulatory and operational compliance requirements. HSI's focus is on training, software, and services for safety and compliance, workforce development, industrial skills, and emergency care. HSI is a unique partner that offers a suite of cloud-based software solutions including learning management, safety management, chemical SDS management, and more, integrated with content and training so businesses can not only monitor and manage multiple workflows in one system, but train employees via one partner.

For more information, visit [hsi.com](https://www.hsi.com)