

COMPETENCY PROFILE:

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE SPECIALIST

ROLE OVERVIEW

Environmental, social, and governance (ESG) standards are non-financial performance indicators that, when combined with traditional financial metrics, provide a comprehensive evaluation of a company's sustainability, societal impact, and operational risks. These criteria are not just about financial performance but also about assessing businesses' ethical and responsible conduct. ESG specialists offer technical advice to help companies understand and enhance their environmental and social responsibilities, guiding them toward sustainable practices and decarbonization. This support is instrumental in conducting thorough materiality assessments considering financial and non-financial impacts.

After reviewing a company's current practices, ESG specialists deliver reports with actionable recommendations for aligning business operations with ESG objectives. The insights from these reports can influence the resource allocation decisions of investors, financial institutions, and potential employees, steering them towards more sustainable and responsible companies. The increasing emphasis on ESG reporting, propelled by legislation such as the Corporate Sustainability Reporting Directive (CSRD) and the European Union (EU) Battery Regulation 2023, signifies a shift from optional to mandatory reporting standards for businesses. Providing accurate, verifiable, and comparable ESG metrics helps companies comply with legislative demands, mitigate ESG and reputational risks, and draw in investors and talented professionals by showcasing a dedication to sustainable and ethical operations.

ALSO KNOWN AS:

- ESG Analyst
- Sustainability Analyst
- Sustainability Specialist

NATIONAL OCCUPATIONAL CLASSIFICATION:

- 41401 – Economists and economic policy researchers and analysts

EDUCATION AND EXPERIENCE

- A bachelor's degree in finance, business administration, public administration, environmental science, or sustainability is essential for a foundational understanding of ESG principles. These programs cover sustainable business practices, environmental conservation, social responsibility, and corporate governance, both theoretically and practically.
- Pursuing a master's degree in environmental management, sustainable development, or corporate sustainability is beneficial, especially for strategic planning and policy development roles. These advanced degrees deepen knowledge and enhance skills for ESG specialization.
- Typically, three to five years of experience in ESG roles is required. This experience includes tasks like developing ESG strategies, sustainability reporting, stakeholder engagement, environmental impact assessment, and ensuring social and governance compliance, which help understand and apply ESG criteria in business contexts.
- Experience in specialized sustainability initiatives, such as renewable energy, waste reduction, corporate social responsibility, or sustainable supply chain management, is valuable. It shows the ability to support a company's sustainability goals and improve its ESG performance.
- Professional certifications like the Global Reporting Initiative (GRI) or Leadership in Energy and Environmental Design (LEED) accreditation validate expertise in sustainability and ESG areas, enhancing professional qualifications.
- The dynamic nature of ESG necessitates continuous professional development to stay current with new standards, regulations, and best practices. Participation in workshops, seminars, and conferences is crucial for up-to-date knowledge and effective guidance.
- Success as an ESG specialist requires analytical thinking, stakeholder communication, project management, and strategic planning skills. It is critical to be able to analyze data, engage with stakeholders, and integrate ESG considerations into business strategies.

TECHNICAL



Data Analysis

Uses established statistical methods to analyze ESG data, revealing trends, patterns, and opportunities that inform strategic decisions and enhance the organization's ESG performance.

- Builds and maintains a central repository of sustainability content, research, policies, ESG metrics, and action plans to better analyze an organization's ESG history and goals.
- Analyses and interprets structured and unstructured ESG data to prepare comprehensive reports and present recommendations to senior management.
- Applies advanced qualitative data analysis techniques and methods to determine organizational activity characteristics, trends, and impacts.
- Collects baseline and trend data on operational metrics to develop insights and report on crucial sustainability performance indicators.
- Identifies ESG data inconsistencies or errors to take appropriate action to remedy or recreate data.

Environmental, Social, and Governance Strategy

Evaluates the organization's ESG objectives to determine the steps required to synchronize business activities with its obligations to the environment, external stakeholders, and society.

- Integrates an organization's ESG plans into the supply chain, business operations, and investor relations to establish a unified approach to meeting the ESG goals.
- Assesses an organization's short-term, medium-term, and long-term ESG goals (and associated risks and solutions) to formulate a strategy that will meet its goals and mandatory reporting requirements.
- Develops a comprehensive timeline and roadmap to comply with regulatory and voluntary reporting by setting meaningful and measurable goals.
- Identifies which ESG metrics to monitor to evaluate the organization's effectiveness in achieving its goals.
- Examine material risks and opportunities, including scenario analysis and quantifying potential impacts.
- Provides education and interacts with suppliers to equip them with the knowledge and motivation needed to provide necessary and pertinent data.
- Analyzes industry best practices, investor expectations, and other stakeholder requirements to identify emerging sustainability trends and guide strategic ESG planning.

Social and Economic Impact Assessment

Examines proposed projects to understand their potential benefits and drawbacks, offering a detailed assessment of the organization's ESG impact to support informed strategic decisions.

- Applies knowledge and experience to understand how ESG factors relate to risks and opportunities for the organization.
- Evaluates potential business actions based on their impact on the organization's social reputation, enabling decisions that preserve or enhance the company's public image.
- Applies impact methodologies to understanding the consequences of action and inaction to promote sustainable business actions and plans and align short-term actions with long-term ESG goals.
- Incorporates ESG risk and opportunities into making investment recommendations to promote the organization's long-term sustainability and durability.

Sustainability Budgeting Strategy

Crafts detailed strategies to establish, track, and assess operational budgets and expenses, covering every aspect of project activity. This approach ensures the organization's sustainability over time, considering financial health and social/environmental responsibilities.

- Incorporates ESG risk and opportunities into making investment recommendations to analyze which investments could be sustainable in the long term.
- Estimates cost and benefits of GHG emissions reduction targets and action plans to advise on business directions and priorities and enable informed decision-making.

- Assesses how carbon pricing influences capital expenditure choices, guiding possible negative consequences of specific spending decisions.
- Assesses how greenhouse gas (GHG) emissions affect a company's assets, liabilities, revenue, and expenses.
- Uses scenario modelling to forecast financial and operational outcomes of alternate mitigation actions.
- Executes ESG plans and strategies within a corresponding budget to ensure that ESG strategies are sustainable for the organization over a long period.



Attention to Detail

Review completed work by monitoring and checking information, organizing tasks and resources efficiently, and assessing all areas involved in achieving an objective.

- Identifies nuances in everyday speech to position an organization with a higher social standing.
- Accurately completes documents and report logs to ensure safe and efficient operations.
- Deliver timely ESG updates and organizational progress in language tailored to the audience for effective communication.
- Routinely checks in with clients, stakeholders, and the general social climate to consider changing priorities or expectations and produce results that improve relationships and business objectives.

Communication

Positively directs outcomes by delivering communication that better understands goals and objectives, captures interest, and gains support for immediate action.

- Works to identify, develop, and implement opportunities to engage stakeholders with sustainability/ESG efforts and operationalize the organization's ESG roadmap.
- Collaborates with clients and other stakeholders to assess an organization's social standing and generate awareness of ongoing projects.
- Conveys the organization's ESG objectives and strategies to employees, ensuring alignment towards a common goal.
- Creates and publishes ESG reports highlighting the organization's progress and performance and keeping stakeholders informed.

Problem-Solving

Identifies problems and uses logic, judgment, and evidence to evaluate alternative scenarios and recommend solutions to achieve a desired goal.

- Analyzes operational data to evaluate ESG operations and understand trends and potential areas of concern to take appropriate action where required.
- Evaluate the effects on the organization, environment, and society while assessing project objectives and goals, ensuring projects are in harmony with long-term ESG objectives.
- Conveys potentially difficult and inconvenient information accurately and honestly to ensure that the appropriate persons, including management, understand risks, incidents, and other lagging indicators about ESG investigations.
- Analyzes an organization's long-term ESG goals against its immediate reality to determine a clear path to achieving its intended position.



Regulatory Compliance

Adheres to specific ESG regulations, codes, and legislation within a defined jurisdiction to ensure the health and safety of others and increase transparency on business operations.

- Determines and understands an organization's mandatory reporting requirements to meet all relevant regulatory obligations.
- Prepares environmental and social impact assessments to measure an organization's progress toward its commitments and identify areas for improvement.
- Engages third-party assurance providers for GHG emissions data, systems, and reports to meet compliance obligations.
- Develops, maintains, and executes appropriate disclosure controls and procedures related to ESG to standardize the process of reporting ESG metrics.



Environmental, Social, and Governance Policy Evaluation

Evaluate the organization's policy(s) to ensure they align with the stated ESG goals.

- Pinpoints the interconnections, common requirements, and order of implementation among ESG standards to establish a strategic approach.
- Assesses the organization's ESG reporting ambition to determine whether further reporting than base compliance is desired.
- Supports and oversees the development of the organization's ESG strategy and policy to align short-term solutions to a long-term business plan.
- Compares the organization's ESG performance with its peers, industry trends, and best practices to identify potential issues, risks, opportunities, and emerging trends that could affect the company.

This profile is a living document. If you have any feedback or would like to help us improve the profile, please reach out to research@eco.ca.