

# ESG Gap Analysis

## FULL FINDINGS, RECOMMENDATIONS AND ROADMAP FOR YOUR ESG STRATEGIES



### WHAT IS IT?

ESG Gap Analysis is the process of conducting a materiality assessment of an organization's ESG issues and then a performance assessment of how the organization is managing those issues.

### HOW IS IT DONE?

To ensure continuous improvement organizations should understand the strengths and weaknesses of their ESG strategies in full. To achieve this, the following activities are normally included in ESG Gap Analysis:

- Review material topics relevant to the organization
- Review relevant data and documents based on the defined criteria
- Interview senior leadership to understand the visions, missions, strategies and plans in place
- Conduct research to carry out competitor and industry benchmarks
- Evaluate ESG stewardship trending
- Identify gaps and provide recommendations to address these gaps

### SCOPE

The scope depends on the material topics identified in the initial stages and the performance assessment varies according to the threshold defined.

### WHO IS IT FOR?

- Organizations that have already implemented an ESG strategy and wish to delve deeper into understanding their ESG maturity level for continuous improvement in short, medium and long term.
- Sustainability Professionals, Compliance Manager, Business Development manager, etc.

### KEY BENEFITS






- Full assessment from an outside-in perspective
- Identify strengths and weaknesses objectively
- Understand customers' ESG stewardship trending
- Prioritize and optimize resources
- Understand your competitors and industry
- Obtain greater expert insights

### ESG BEST PRACTICES

When implementing an ESG strategy, some well-established and recognized international and local ESG best practices can be taken into account. These include:

- The UN Sustainable Development Goals (SDGs)
- The Science Based Targets initiative (SBTi)
- The ISS ESG Corporate Rating
- The MSCI ESG Ratings
- The Dow Jones Sustainability Indices (DJSI)
- ISO 14001 (Environmental Management)
- ISO 26000 (Social Responsibility)

**WHY SGS IN YOUR SUSTAINABILITY JOURNEY?**

 <b>30+</b> Years of experience in sustainability	 <b>2,700</b> Offices and laboratories, providing global technical expertise and network	 <b>▲ CHF 1,243k</b> Invested in communities around the world
<b>CO<sub>2</sub></b> <b>2014</b> Carbon neutral since 2014	 <b>▼ 43%</b> Decrease in total greenhouse gas emissions against a 2014 baseline	 <b>▼ 68%</b> Decrease in Total Recordable Incident Rate (TRIR) since 2014

We are a leader, not only in providing ESG services for over 30 years but also as an active participant in demonstrating best practices.

Our ESG experts actively contribute to developing international standards, frameworks, schemes and regulations, such as the UN Sustainable Development Goals (SDGs), UN Principles for Responsible Banking (PRB) Assurance and EU Corporate Sustainability Reporting Directive (CSRD).

We also lead by example. Our sustainability leadership has been recognized internationally. SGS was rated PRIME by ISS ESG Corporate Rating and AAA in the MSCI ESG Ratings assessment. Our ESG practices are further reinforced by

SGS Sustainability Ambitions 2030, which set ambitious targets across our whole value chain and foster a culture of sustainability.

With extensive experience in all major industries, we understand each sector’s pain points and have the technical expertise and logistical capabilities across the globe to ensure realistic sustainability outcomes.



**ESG RESOURCES**

Register for an ESG webinar, download an ESG whitepaper and discover all ESG resources at [www.sgs.com/ESG](http://www.sgs.com/ESG) now.

