Why ESG matters



Companies with a robust Environmental, Social and Governance (ESG) Strategy are more successful at attracting and retaining great people and customers.

In addition, they attract higher valuations. Embedding ESG into every day operations helps organisations to mitigate risk, access funds and benefit from commercial opportunities.

Because doing good, is good for business.

Financial returns

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Access to investment

Operational efficiency

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Creativity & Innovation

Customer preference

Employee wellbeing

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Stakeholder engagement



Do the right thing

Why ESG is important for your business

The Commercial Business Case

If you are going through a funding round or looking to access investment, ESG is a critical component. Investors and lenders are growing more demanding about ESG criteria when making funding decisions.

At the same time, a business with good ESG credentials can generate more sales. Any business bidding for public sector contracts must have a Carbon Reduction Plan and be able to evidence how it contributes to the UK target of achieving Net Zero by 2050.

The new UK Procurement Act comes into force on 25 February 2025. It will make it easier for SME businesses to access opportunities, bid for contracts and should also improve payment terms. The act builds on the UK Social Value Act, mandating that contracting authorities consider social value in tenders and also take steps to minimise environmental impacts.

Businesses who cannot effectively demonstrate their ESG credentials are at risk of losing bids and not having contracts renewed.

Manage Risks

A good indicator of the importance of ESG is the increasing legislation in this area. You might think that new requirements such as the EU Corporate Sustainability Reporting Directive (CSRD) impact only large international corporates, but the reality is that those corporates will demand ESG data from the businesses in their supply chain, who will demand the same data from their own suppliers, and so on.

Everyone in the commercial eco-system must demonstrate the work they are

doing on carbon reduction, fair pay, social impact or other ESG priorities — they need to evidence that they are ethical and responsible.

A further example is the UK Green Claims Code which sets out the government guidance for all businesses making environmental claims, it aims to protect the rights of the consumer. Fines can be imposed on individual businesses who do not meet the guidance, and who are seen to be "greenwashing".

Brand Reputation

Perhaps the most important reason to embed ESG in the organisation is — quite simply — that it's the right thing to do.

Evidence also shows that consumers are attracted to "purposeful" brands — this is one of the reasons to explain the rise of the B-Corp movement.

In turn, employees want to work for a business that takes its responsibility to People and Planet seriously. They want to feel part of a Business for Good.

Increasingly, both potential employees and customers want to align themselves with businesses who have ESG in their DNA.



BHP's ESG offering

ESG — Where are we now?

The ESG audit helps businesses to get started on their ESG journey. We review where you are now and make recommendations for improvements you can make:

- Review of existing programmes and policies
- Review of ESG marketing collateral
- Competitor review
- Recommendations report

ESG — Development of strategy & implementation framework

For businesses ready to implement ESG initiatives and engage their teams to make a positive change.

- Materiality review
- Strategy presentation and report
- Targets
- 12 month roadmap
- Stakeholder mapping
- Measurement Framework

Bespoke Project Management & Support

From time to time, you need support on a particular area such as carbon footprint reporting, selecting a new charity partner, ESG Reporting or employee volunteering.

To understand more, please contact Mark Roberts (mark.roberts@bhp.co.uk) who can help with any questions or enquiries you have.

How we have worked with clients

QST Limited

QST Limited are a leading authority on Mould Eradication and internal Thermal Efficiency, working for several UK Housing Associations. Our consultants audited QST's ESG policies and engaged



with senior management to identify ESG priorities. Once these had been approved by the Board, the team developed an implementation road map to support the delivery of the Strategy — it was critical that this could be delivered within the existing capabilities of the organisation. A key element of the work was calculating QST's carbon footprint and writing the Carbon Reduction Plan.

To support QST on their future journey, our consultants created a reporting template, a Strategy document for investors and standard responses to typical ESG questions asked in tenders. QST are now better able to articulate their strategy, have a clear set of priorities on which to focus, and have the tools to measure their progress.

Specialised Support — Introducing Lisa Basford

Lisa has experience in business consultancy supporting businesses and charities to deliver Environmental, Social and Governance strategies.

Prior to this, she was Head of Partnerships and Social Impact at O2 (Telefonica UK) and Global Corporate Responsibility Director for InterContinental Hotels Group.

Lisa developed and implemented a worldwide sustainability strategy, authored the Responsible Business Report and managed all responsible business stakeholder communications.

She is a Fellow of the Institute of Corporate Responsibility & Sustainability (ICRS) and certified by the Non-Executive Directors Association (NEDA).

Impact Model:



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1. Insights

What matters most to your organisation? We research societal trends, review risk, benchmark competitors, and complete a materiality analysis — gathering insights helps to build the Fact Base for an effective strategy.

2. Stakeholder Engagement

Engaging with Operational Leads to pilot ideas, presenting to the Executive Team so they champion the strategy. From grass-roots to C-Suite, from employees to investors — we map and address stake-holder needs.

3. Planning

Our implementation plans are practical, robust and within the capabilities of the organisation. Setting measurable targets and timelines, ensures innovative ideas can be effectively delivered.

4. Action

Embedding programmes and services, onboarding new partnerships, and training employees are crucial steps. Taking actions that matters to customers, colleagues and the community.

5. Inspire

Monitoring outcomes and measuring impact builds a toolkit for marketing and communications, events, volunteering programmes, and reporting. We showcase and celebrate your achievements to build brand love.

Book a call with Lisa today and discuss your ESG strategy.

