

# ESG Checklist



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## Take a look at a few ESG ideas your nonprofit can implement or expand.

### Environmental

- Reduce, reuse, and recycle to lower your organization's environmental footprint.
- Consider converting to LED lighting or adding solar.
- Ask your vendors to prove their efforts around sustainability during the bidding process.
  - Consider including the following question in your bid packet: How does your company employ environmentally responsible practices—like conservation, waste reduction, recycling—in your operations?

### Social

- Work with your board to create investment, purchasing, and hiring policies that are socially responsible.
- Seek out investment advisors who offer specific products or funds that screen for social or environmental responsibility.
- Specify the type of investments you refuse to carry (i.e., companies that produce or market tobacco products or have a poor child labor track record or those with toxic spills or poor clean up records).
- Identify the ESG practices of any companies you partner with (i.e. their board diversity and Net Zero targets).

### Governance

- Set a goal for your organization to mimic the demographic characteristics of the population you serve.
  - Beyond racial and ethnic composition, consider including family composition, LGBTQ, income, age, gender, or other characteristics relevant to your mission that will further enrich your organization's work.
- Recruit from your target population.
  - Consider advertising with minority media outlets or reaching out to organizations that work with people of color or those with disabilities, for example.
  - Provide recruitment materials in a variety of languages (including Spanish).
  - Become involved with your local NAACP and Urban League chapters.
  - Track your efforts (and results): Which tactics seem more effective in your attempts to recruit and retain a diverse workforce?
  - Integrate your new diverse employees into your culture—or better yet, integrate your culture into theirs.
- Examine your current board in terms of race, age, gender, income, and disability. If you find, like many nonprofits, the board room consists of primarily old white guys, you've got some work to do!
  - Reach out more broadly to recruit members that will add new perspectives and insights to the boardroom.
  - Add term limits (if you don't already have them) to your by-laws to regularly incorporate new voices.