



THE ESG AUDIT CHECKLIST



Environmental Criteria

1.1 ENVIRONMENTAL MANAGEMENT SYSTEM

EMS Framework

Does the organization have a documented Environmental Management System (EMS) framework?

Are environmental policies documented and accessible?

Objectives and Targets

Are environmental objectives and targets clearly defined?

Is there a plan to achieve these objectives and targets?

Implementation and Operation

Are responsibilities and authorities for the EMS assigned?

Is there a documented procedure for EMS implementation?

Monitoring and Review

Are environmental performance indicators tracked regularly?

Are EMS reviews conducted periodically to assess performance?

1.2 ENERGY MANAGEMENT

Energy Policy

Is there an energy policy that outlines goals and strategies?

Is the energy policy communicated to all employees?

Energy Audits

Are regular energy audits conducted?

Are audit findings documented and addressed?

Energy Efficiency Measures

Are energy efficiency projects identified and implemented?
e.g LED lighting upgrades or energy-efficient equipment.

Is there a plan for continuous improvement in energy use?

Environmental Criteria

Renewable Energy

Is there a strategy to increase the use of renewable energy sources?

Are renewable energy installations in place (e.g., solar panels)?

1.3 WATER MANAGEMENT

Water Conservation Policy

Is there a water conservation policy in place?

Are water conservation goals set and communicated?

Water Usage Tracking

Is water usage data collected and monitored regularly?

Are benchmarks established for water usage reduction?

Water Efficiency Projects

Are water-saving technologies and practices implemented?

Are water reuse and recycling initiatives in place?

1.4 WASTE MANAGEMENT

Waste Policy

Is there a waste management policy?

Are waste reduction targets defined?

Waste Segregation

Are waste segregation practices implemented?

Are bins for different types of waste (e.g., recyclables) provided?

Recycling Programs

Are recycling programs in place and effective?

Is the percentage of waste diverted from landfill tracked?

Environmental Criteria

1.5 POLLUTION AND EMISSIONS

Emission Inventory

Is there a comprehensive inventory of emissions sources?

Are emissions data tracked and reported regularly?

Pollution Control Measures

Are pollution control technologies and practices implemented?

Are there procedures for managing accidental releases?

GHG Reduction Strategy

Is there a strategy to reduce greenhouse gas emissions?

Are specific GHG reduction projects and timelines defined?

1.6 BIODIVERSITY AND LAND USE

Biodiversity Assessment

Are biodiversity impacts assessed for all operations?

Are baseline biodiversity data collected?

Habitat Protection

Are measures in place to protect local habitats and species?

Are restoration projects undertaken for degraded areas?

Sustainable Land Use

Is land use planning aligned with sustainability principles?

Are there initiatives to minimize land degradation?

Environmental Criteria

1.7. COMPLIANCE AND REPORTING

Regulatory Compliance

Are restoration projects undertaken for degraded areas?

Is there a process to ensure compliance with environmental regulations?

Are compliance records maintained and accessible?

Environmental Reporting

Are environmental performance reports published regularly?

Are stakeholders informed about environmental performance?

Social Criteria

2.1. LABOR PRACTICES

Employment Policy

Is there a clear employment policy that ensures fair labor practices?

Are employment contracts compliant with labor laws?

Working Conditions

Are working conditions safe and healthy?

Are working hours and conditions monitored for compliance?

Employee Rights

Are employee rights and benefits protected and communicated?

Is there a grievance mechanism for employees?

2.2. HEALTH AND SAFETY

Health and Safety Policy

Is there a health and safety policy in place?

Are health and safety responsibilities assigned?

Risk Assessments

Are regular health and safety risk assessments conducted?

Are identified risks documented and mitigated?

Incident Reporting

Is there a system for reporting and investigating incidents?

Are incident data analyzed to prevent recurrence?

Social Criteria

2.3. DIVERSITY AND INCLUSION

Diversity Policy

Is there a diversity and inclusion policy in place?

Are diversity goals set and communicated and tracked?

Training and Awareness

Are employees trained on diversity and inclusion?

Are there programs to raise awareness about diversity issues?

2.4. COMMUNITY ENGAGEMENT

Community Policy

Is there a policy for engaging with local communities?

Are community engagement goals defined?

Impact Assessments

Are community impacts assessed and documented?

Are mitigation measures implemented for negative impacts?

Community Programs

Are community development and support programs in place?

Is there a process to track and report community engagement outcomes?

Social Criteria

2.5. HUMAN RIGHTS

Human Rights Policy

Is there a human rights policy in place?

Is the policy aligned with international human rights standards?

Supply Chain Due Diligence

Are human rights risks assessed in the supply chain?

Are suppliers required to adhere to human rights standards?

Monitoring and Reporting

Are human rights impacts monitored and reported?

Is there a process for addressing human rights violations?

2.6. TRAINING AND DEVELOPMENT

Training Programs

Are training and development programs available for employees?

Are training needs assessed regularly?

Career Development

Are career development opportunities provided?

Is there a process for tracking and evaluating training effectiveness?

Governance Criteria

3.1. BOARD STRUCTURE AND FUNCTIONING

Board Composition

Is the board of directors diverse and independent?

Are board members' roles and responsibilities clearly defined?

Board Committees

Are there specialized committees (e.g., audit, ESG)?

Are committee functions and charters documented?

Board Meetings

Are board meetings held regularly and documented?

Is board performance evaluated periodically?

3.2. ETHICS AND COMPLIANCE

Ethics Policy

Is there a code of ethics or conduct?

Are ethics policies communicated to all employees?

Compliance Programs

Are there programs to ensure compliance with laws and regulations?

Is board performance evaluated periodically?

Is there a whistleblower policy and mechanism in place?

Anti-Corruption Measures

Are anti-corruption policies implemented?

Are corruption risks assessed and mitigated?

Governance Criteria

3.3. RISK MANAGEMENT

Risk Management Framework

Is there a comprehensive risk management framework?

Are risks identified, assessed, and managed systematically?

ESG Risk Integration

Are ESG risks integrated into the overall risk management process?

Are ESG risk assessments conducted regularly?

Crisis Management

Is there a crisis management plan in place?

Are crisis response exercises conducted periodically?

3.4. TRANSPARENCY AND DISCLOSURE

Financial Reporting

Are financial statements transparent and accurate?

Are financial reports audited by independent auditors?

Non-Financial Reporting

Are sustainability reports published regularly?

Are ESG performance data disclosed to stakeholders?

Stakeholder Communication

Is there a strategy for communicating with stakeholders?

Are stakeholder concerns and feedback addressed transparently?

Governance Criteria

3.5. STAKEHOLDER ENGAGEMENT

Stakeholder Identification

Are key stakeholders identified and mapped?

Are stakeholder interests and concerns documented?

Engagement Processes

Are there processes for engaging with stakeholders?

Are stakeholder engagement outcomes tracked and reported?

Feedback Mechanisms

Are feedback mechanisms in place for stakeholders?

Is stakeholder feedback used to inform decision-making?

3.6. EXECUTIVE COMPENSATION

Compensation Policy

Is there a clear policy for executive compensation?

Is executive compensation linked to performance, including ESG criteria?

Transparency

Is executive compensation disclosed transparently?

Is there a process for reviewing and approving executive compensation?

Additional Consideration

4.1. SUPPLY CHAIN MANAGEMENT

Supplier Selection

Are ESG criteria included in supplier selection processes?

Are suppliers evaluated on their ESG performance?

Supply Chain Monitoring

Is the supply chain monitored for ESG compliance?

Are audits of suppliers conducted regularly?

Capacity Building

Are there initiatives to build supplier capacity for ESG improvements?

Is there support for suppliers to adopt sustainable practices?

4.2. PRODUCT RESPONSIBILITY

Product Assessment

Are products assessed for environmental and social impacts throughout their lifecycle?

Are product impact assessments documented?

Product Safety

Are product safety standards in place and followed?

Are safety incidents tracked and addressed promptly?

Customer Feedback

Is there a process for collecting and addressing customer feedback?

Are customer complaints managed effectively?

Additional Consideration

4.3. INNOVATION AND SUSTAINABILITY

Research and Development

Are there investments in R&D for sustainable products and practices?

Are new technologies and innovations adopted to enhance ESG performance?

Continuous Improvement

Is there a culture of continuous improvement in sustainability?

Are lessons learned and best practices shared across the organization?