



ESG 1000®

**Certification dedicated to the Governance of
Corporate Social Responsibility (CSR)**

This reference document represents a first step aimed at encouraging all types of organizations in the public or private sector to implement appropriate steps in terms social responsibility and thus benefit from the advantages resulting from a responsible economic action plan.

**REFERENTIEL
ESG 1000®**

ESG 1000[®] ENVIRONMENT SOCIAL GOVERNANCE/INDEX 1000

CSR has become a major challenge for companies or organizations of all types and sizes; this applies internally and for their external stakeholders. It is now essential to build trust, by bringing credibility and transparency to sustainable initiatives, with its employees, customers, suppliers, partners, creditors and investors. In order to succeed, the companies must provide the guarantee of strong commitments, through clear and traceable processes, within the respect of various and heterogeneous regulations in terms of CSR.

It must be acknowledged that globalization has caused a fragmentation of value chains. The operations of design, procurement logistics, manufacturing of a product or service providing, can be distributed and organized over several countries, or even continents, before even speaking of the distribution of the end product or of a service. As a result, this leads to complexity and a source of significant pressure for any manager or decision-maker, in the perspective of commercial collaborations, financing or investment choices.

Building a strong brand, without compromise in terms of ethical, social and environmental risks, within an approach of continuous improvement, is a moral obligation for companies and organizations, of today and tomorrow. It is precisely on this principle that the international repository for the CSR governance and the ESG 1000 certification are based.

STANDARD ESG 1000[®]

International standard for certification of a CSR management system

The ESG 1000 standard (ESG for Environmental, Social and Governance - Index 1000) sets out the requirements relating to a CSR management system policies, which can be used by an entity to improve its practices in terms of social responsibility, with the view to sustainable development.

The international ESG 1000 standard can be certified too. The standard therefore is suited to the certification mechanism and is intended to be used by companies or organizations of any type, aiming to add value to their governance and to their social, ethical, environmental and policies. The ESG 1000 standard brings together the ESG criteria that make it possible to measure and assess the impact and the performance of CSR policies of an entity.

THE ESG 1000[®] STANDARD SPECIFICATIONS DESCRIBE:



All the measures that the entities have to adopt in terms of Corporate Social Responsibility



The methods used to assess the level of compliance and effectiveness of the implemented CSR management system, with a view to obtain the certification.



THE ESG 1000[®] SPECIFICATIONS

A

PREAMBLE

The ESG 1000 specification serves and is used in a uniform way at the international scale. The latter is broken down according to a sectoral approach. The ESG 1000 specifications have been drawn up according to the standards in force and on the basis of international reference recommendations in terms of CSR, such as the GRI (Global Reporting Initiative) standards, the European directive CSRD (Corporate Sustainable Reporting Directive), the Global Compact, the CERES 2030 principles and roadmap, the ILO (International Labor Organization) conventions, the IPCC reports, and the standards AML 30000, ISO 14001, ISO 26000, ISO 37001, ISO 45001, MSI 20000, SA 8000.

B

EVALUATION METHODOLOGY

The methodology used in the evaluation of CSR management systems and of their effectiveness, with a view to deciding on the representativeness of the company or organization, to the ESG 1000 standard, lean on the universal certification mechanisms and is based on the ISO 17021 standard, dedicated to conformity assessment by an authorized third party. Through the evaluation of the CSR management systems, it is important to get precisely acquainted with the mapping of risks and acknowledge their impacts; and consequently, the related challenges which the company or organization is confronted with and must face. In this respect, the corporate social responsibility assessment should distinguish between three types of external relationships: (i) the assessed entity Vs the society, (ii) the assessed entity Vs its stakeholders, but also (iii) its stakeholders Vs the society; starting from the premise that the perspectives, objectives or interests of these three interdependent parties may not align or coincide.

C

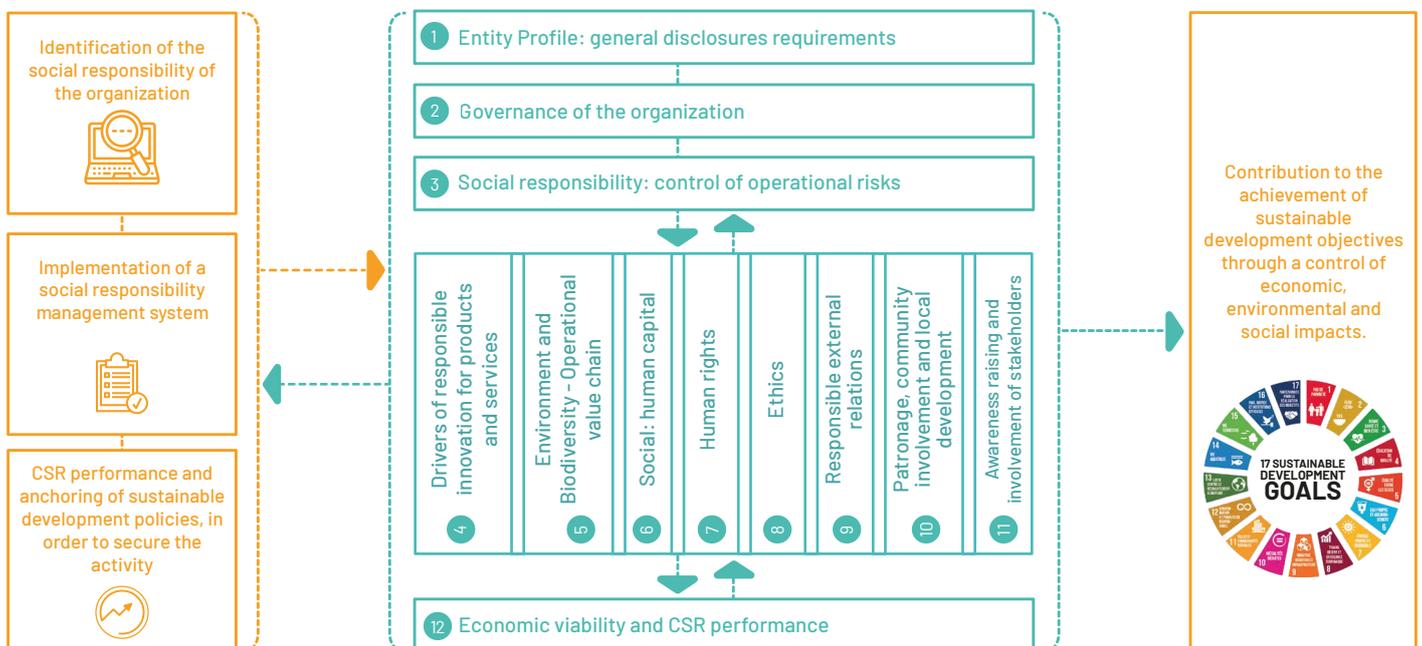
THEMES COVERED

The evaluation to the ESG 1000 standard covers an exhaustive spectrum of CSR issues, grouped into 12 central themes, through a set of ESG criteria, aimed at measuring the compliance of CSR policies and their effectiveness, listed below:

1. Entity Profile: general disclosures requirements
2. Governance of the organization
3. Social responsibility: control of operational risks
4. Drivers of responsible innovation for products and services
5. Environment and Biodiversity - Operational value chain
6. Social: human capital
7. Human rights
8. Ethics
9. Responsible external relations
10. Patronage, community involvement and local development
11. Awareness raising and involvement of stakeholders
12. Economic viability and CSR performance

Each of the 12 themes making up the evaluation scope of the ESG 1000 repository, necessarily has a degree of relevance for any entity evaluated, regardless of its sector of activity. However, this is not the case for all the requirements and/or action scopes that compose them. As a result, the evaluation to the ESG 1000 standard will always go through the identification of the requirements and areas of action specific to the evaluated entity, according to its size, its sector of activity and its geographical presence, while taking into consideration the importance of the impacts that are induced by the evaluated entity, on society, the stakeholders concerned and the way in which these results influence its contribution to sustainable development.

THE REFERENCE MODEL



CERTIFICATION PROCESS

The Certification Cycle is based and articulated, according to the international certification scheme, in three stages:



MAIN EVALUATION

Aims to measure (in year N) the level of compliance of a company or organization with the requirements of the ESG 1000 standard, based on its specifications.



CERTIFICATION

When the main assessment reveals compliance, this leads to the issuance of a certificate of conformity ESG 1000, by an accredited certification body. The certificate issued is valid for 3 years.



FOLLOW-UP EVALUATION

The certified entity is subject to annual assessment (in N+1 and N+2), in order to ensure the continuous compliance of the beneficiary with the requirements of the certification issued.



WHY GET CERTIFIED ESG 1000 ?

Getting the certification ESG 1000 is becoming a strategic step and an essential component in the life of a company, for the following reasons:

- Structure and improve a CSR approach
- Validate a status of CSR compliance through an external evaluation, in order to respond to the collaboration policies of your customers, suppliers, partners, investors, creditors
- Meet the obligations defined by regulators and comply with regulatory and market constraints
- Integrate within a dynamic of sustainable growth, a company concerned about its environment
- Become a committed company and engage in a virtuous circle of continuous improvement
- Gain in attractiveness and competitiveness, through a strong competitive advantage

BENEFITS OF BEING CERTIFIED ESG 1000 :

Obtaining ESG 1000 certification brings concrete benefits in terms of reputation and allows to:

- ✓ Promote the compliance of extra-financial governance
- ✓ Make a positive impact of general interest
- ✓ Consolidate attractiveness and enhance its brand image
- ✓ Identify and control over time and in a preventive manner, the CSR risks inherent in the activity
- ✓ Make informed and responsible decisions
- ✓ Strengthen ties with stakeholders of its ecosystem
- ✓ Strengthen its ability to attract and increase loyalty of its employees, customers, suppliers, shareholders, creditors, donors and investors
- ✓ Increase the chances of success for equity, fundraising or IPO operations, through a strong argument for the contractors



THE CSR CHALLENGES THAT THE ESG 1000 STANDARD ADDRESSES

1

THE 17 OBJECTIVES TO ADDRESS THE CHALLENGES OF GLOBALIZATION

In September 2015, the Sustainable Development Goals (SDGs), as part of the "Agenda 2030", were unanimously adopted by the 197 member countries of the United Nations. These objectives shape a new development paradigm that aims to be universal, inclusive and sustainable, taking into account, in an integrated and interdependent manner, the social, economic and environmental dimensions. The objective of the ESG 1000 standard is therefore to address them individually and to ensure that companies certified ESG 1000 present real guarantees of commitment and contribution.

2

CSR POLICIES: A GENERATOR OF GROWTH AND A SOURCE OF OPPORTUNITY AND ATTRACTIVENESS

CSR or sustainable development in general, could be perceived as a constraint, generated by the pressure from public opinion or governments. In reality, there is no contradiction between CSR and economic performance, quite the contrary. The CSR approach of a company must therefore be transformed into opportunity and become a growth-generating factor. CSR performance is indeed a key success factor for any organization.

3

COMPETITIVE DEVELOPMENT THROUGH A SUSTAINABLE BUSINESS MODEL

Succeeding to grow without increasing environmental impacts is a sustainable development challenge. In particular, it is a question of achieving this in a spirit of fairness, through a redistribution of benefits to the four major stakeholders directly concerned: investors, customers, employees and civil society. In the same way, all the companies which associate "sustainability" on their policy and strategy, as a key factor of success, are those which will prosper in the future. Indeed, it has been demonstrated that the so-called "sustainable" business model is not only a question of compliance or regulation, but a real opportunity to create long-term value

4

BUILD A RESILIENT ORGANIZATION THROUGH MANAGEMENT OF THE RISKS AND OF THE OPERATIONAL IMPACTS

Raising awareness and understanding of your own risk mapping (in terms of: human rights, environmental, climate, business conduct, information system security, etc.) and its scope, taking into account the "Sector/Country" couple (multi-territoriality)", makes it possible to build a resilient structure by developing its own monitoring and warning systems, and by anticipating faults and malfunctions to come.

5

STANDARDIZATION OF ESG CRITERIA

In view of the regulatory avalanche that is recently looming, particularly in terms of climate and sustainable development, most economic and financial players are advocating greater standardization of the approaches adopted. Standardization is not opposed to innovation, quite the opposite, it makes it possible to centralize and facilitate access to data, allowing companies to focus fully on their activity and the products or services offered; particularly in view of increasingly demanding consumers, themselves concerned by environmental, societal and ethical challenges.

6

ECONOMIC VIABILITY AND CSR PERFORMANCE, TWO INTERRELATED PRINCIPLES

It is equally important that a company be both: part of a sustainable and committed approach, while being economically viable and durable. Economic viability is measured through satisfactory financial results and tangible impacts. This is why the quality of a company's financial management and the relationship established between economic performance and CSR performance is a requirement of Standard ESG 1000; with regard to current challenges.

7

INVOLVEMENT OF ALL STAKEHOLDERS OF THE VALUE CHAIN

Supporting dialogue and mutual commitments, with all stakeholders, must be at the heart of a company's CSR strategy, in order to maximize the achievement of established objectives. This makes it possible to find solutions to the identified CSR challenges in conjunction with the direct ecosystem, in order to offer products and/or services that are truly adapted to the needs of the market; while controlling their environmental, social and ethical impact.



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The ESG 1000 Standard aims to promote the standardization of practices and the leveling-upwards of the management systems in terms of corporate social responsibility and thus strengthen the integrity of organizational ecosystems on a global scale, through ethical and sustainable approaches.

Christian Levesque

*President of ESG 1000 Committee
President of ISO 37000 and ISO 37001 Canada Delegation*

 www.esg1000.org

