



ESG 1000[®]

THE INTERNATIONAL STANDARD
FOR CERTIFICATION OF A SYSTEM:
ENVIRONMENT, SOCIAL & GOVERNANCE - INDEX 1000

ESG 1000[®]

EXTRA-FINANCIAL CORPORATE GOVERNANCE

The ESG 1000[®] standard – for Environment, Social & Governance - Index 1000, is the international certification standard for a non-financial governance system (historically referred to as a “CSR management system”). The ESG 1000[®] standard defines the criteria that an entity can use to structure and enhance its social, ethical, and environmental practices, with the goal of sustainable development.

The ESG 1000[®] international standard is a certifiable standard applicable to all companies and organizations, regardless of their size or sector. Its purpose is to ensure that the management system promotes the widespread adoption of best practices in non-financial governance.

The standard enables the measurement of an organization’s non-financial performance, the evaluation of the alignment between stated objectives and observed behaviors, and the contextualization of this performance relative to economic performance.

The standard is regulated and disseminated by the IGSF.

OBJECTIVES OF THE ESG 1000[®] STANDARD

ESG 1000[®] is based on the principle of positioning the entity within a global vision, taking into account its objectives in terms of non-financial governance.

The challenge lies in fully engaging the organization in an integrated approach, thereby ensuring a genuine and effective commitment, rather than confining it to diffuse or limited policies.

ESG 1000[®] offers a direct, clear, and transparent approach. Its objective is to standardize ESG evaluation criteria by sector to harmonize international recommendations and regulations while promoting the widespread adoption of best practices on a large scale. This approach makes it easier to identify entities that are fully committed to a strong and principled approach to sustainable development.

The standardized nature of the certification approach ensures uniformity in processes and a shared understanding among all stakeholders of an entity. It thereby conveys, through tangible elements, assurances regarding overall performance, aligning economic performance with non-financial performance.

THE SPECIFICATIONS

The ESG 1000[®] specifications were developed in alignment with applicable standards and based on internationally recognized recommendations related to non-financial governance, such as the ESRS (European Sustainability Reporting Standards) defined by EFRAG under the CSRD (Corporate Sustainability Reporting Directive), the GRI (Global Reporting Initiative) standards, the Global Compact, the CERES 2030 principles and roadmap, ILO (International Labour Organization) conventions, IPCC reports, and standards including AML 30000, ISO 14001, ISO 26000, ISO 37001, ISO 45001, MSI 20000, and SA 8000.

The ESG 1000[®] Specifications describe:

- The set of measures to be implemented by companies or institutions regarding non-financial governance
- The methods used to assess compliance and the effectiveness of the management system for ESG 1000[®] certification

The sectoral adaptation of the specifications is designed with a focus on managing Impacts, Risks, and Opportunities (IRO) and contributing to the 17 Sustainable Development Goals established by the United Nations Member States as part of the « Agenda 2030 ».

NON-FINANCIAL REPORTING

Non-financial reporting has become essential to ensuring transparent and reliable communication with all stakeholders, including regulators. With the introduction of new regulations, such as the European CSRD directive on sustainability reporting, this obligation has taken center role in corporate governance. In this context, economic entities must provide concrete, clear, and traceable evidence demonstrating their genuine and effective consideration of environmental and societal impacts in their activities.

The ESG 1000 standard plays a key role in helping companies simplify, structure, and streamline the preparation of their non-financial reporting by providing them with a robust methodological framework. This enables companies, on the one hand, to meet regulatory requirements and, on the other, to demonstrate the reliability of their management system, mitigate risks associated with their activities, and strengthen stakeholder trust.

ASSESSMENT SCOPE

A SCOPE

Through the evaluation of the non-financial governance system, it is important to gain a clear understanding of the detailed mapping of impacts and, consequently, the related challenges that entities face and must address.

This analysis enables the identification of the fundamental risks and opportunities associated with the non-financial governance policies of entities. The objective of this exercise is to assess the impact of these risks and opportunities on the development, performance, and position of entities in the short, medium, and long term. It also aims to act on and provide insight into their ability to manage risks or seize opportunities that could significantly influence their business model, strategy, future cash flows, access to financing, and cost of capital.

The methodology of the ESG 1000[®] certification standard is therefore based on the interdependence between non-financial performance and economic performance.

B COVERED THEMES

The evaluation under the ESG 1000[®] certification standard covers a comprehensive range of non-financial issues grouped into 12 central themes and is conducted through a set of ESG criteria aimed at measuring the compliance of systems and their effectiveness. The assessment of the non-financial governance system, for the purpose of certification under the ESG 1000[®] standard, is integrated into a structured process, focusing on a specific scope and a set of requirements, including the 12 themes listed below:

1. Entity Profile: general information,
2. Organization governance,
3. Operational risk management in Non-Financial Governance,
4. Products and Services: drivers of responsible innovation within the framework of impact analysis, risk and opportunity management,
5. Environment and biodiversity,
6. Social: human capital,
7. Consumers and end users,
8. Recognition of stakeholders' interests and involvement,
9. Human rights,
10. Ethics and business conduct,
11. Philanthropy, community, and local development,
12. Overall performance of an entity: financial quality vs. non-financial performance.

BENEFITS OF CERTIFICATION

A PROCESS AND EXPERTISE

Adhering to a certification process under the ESG 1000[®] standard allows for:

- Continuously ensuring the relevance and effectiveness of the non-financial governance systems in place;
- Promoting and strengthening a culture of compliance and performance in non-financial governance by highlighting:
 - The importance of issues related to the long-term sustainability of established business models and their ability to align with a viable and sustainable development dynamic;
 - The risks involved, particularly in terms of reputation and sanctions, in cases of deficiencies or the absence of a comprehensive and effective system.
- Ensuring the continuous improvement of the management system by:
 - Identifying weaknesses and addressing them through the implementation of corrective action plans;
 - Strengthening existing strengths.
- Guaranteeing the compliance of the governance system with the latest updates and recommendations of the standard, aligned with current international regulations;
- Encouraging the evolution of best practices in non-financial governance.

B COMMUNICATION TOOL

- Certification under the ESG 1000[®] standard serves as a reliable and tangible benchmark for economic and financial operators, enabling them to distinguish between companies as part of their duty of care.
- The ESG 1000[®] certification is a strong argument that demonstrates and validates compliance with a set of requirements related to overall performance.
- Compliance with the ESG 1000[®] standard reflects a commitment to ethical, social, environmental, and governance practices.
- The use of ESG 1000[®] conformity marks is an indicator that directly contributes to the valuation process of the certified entity.
- The use of ESG 1000[®] conformity marks provides a significant competitive advantage and serves as a concrete argument for differentiation and negotiation.
- Certification is a key element in strengthening brand reputation, facilitating access to investment and financing.

STANDARDIZATION BODY



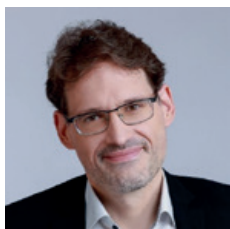
VÉRONIQUE DE LA BACHELERIE

IGSF & ESG 1000®

The IGSF - International Group for Sustainable Finance, A.S.B.L., is the organization responsible for the development and dissemination of the ESG 1000® standard. It is a global standardization body for financial and non-financial governance, based in Luxembourg and chaired by Véronique de La Bachelerie.

The IGSF primarily operates on two fronts: first, the technical organization of financial and non-financial governance standards by listing the normative requirements for each standard; and second, the dissemination of standards and best practices more broadly.

The topics addressed by the IGSF notably include issues related to combating financial crime, financial governance, and the non-financial governance of companies and organizations of all types. The ESG 1000 standard is supported within the IGSF by an Internal Committee dedicated to the Non-Financial Governance of Enterprises. The ESG 1000 Committee, chaired by Mr. Christian Levesque and assisted by Mr. Alexandre Rambaud as Vice-Chairman, is composed of international experts and specialists in non-financial governance (social, ethical, and environmental practices).



ALEXANDRE RAMBAUD

Vice-Chairmanship of the ESG 1000® Committee

Dr. Alexandre Rambaud, a mathematician and management sciences specialist, is a lecturer at AgroParisTech (National Institute of Life, Food, and Environmental Sciences) and a researcher at CIRED (International Research Center on Environment and Development).

Dr. Rambaud co-directs the "Ecological Accounting" Chair (AgroParisTech Foundation) and the "Double Materiality" Chair (Risk Foundation). He is an Academic Fellow at the Louis Bachelier Institute and a member of the Scientific Council of the PARC Foundation (Paris Agreement Research Commons). He has also served as a member of the Climate & Sustainable Finance Commission of the French Financial Markets Authority (AMF) and the Sustainability Information Committee of the French Accounting Standards Authority (ANC).

Additionally, he co-founded the CERCES (Circle of Environmental and Social Accountants), where he serves as an administrator and scientific director, as well as the ICSG (Institute for Training in Sustainable Accounting and Management), where he chairs the Supervisory Board.



International Group for Sustainable Finance