



lyntia  
NETWORK TO BUSINESS

THE

MEANING

BEHIND

ESG

+100 KEY WORDS TO UNDERSTAND  
THE PRESENT & FUTURE OF SUSTAINABILITY

**ESG GLOSSARY**



## Dear reader,

Welcome to this great little book!

You are holding it in your hands because, like us, you are interested in better understanding the world of ESG. Sometimes, it seems that we speak a language full of acronyms and complex terms, but in reality, many of these concepts are already familiar to you and are very present in your daily life.

In these pages, you will find a glossary with the keywords that will accompany you on this path towards sustainability. This will help you understand them simply and, above all, understand why they are so important.

We have prepared this with great enthusiasm, hoping that it will be a practical tool that you can turn to whenever you need it.

We don't want it to end up as an ornament gathering dust on a shelf, but rather that you use it, keep it to hand, open it with curiosity and consult it every time you have a doubt or want to look more closely at a concept.

Our aim is for you to feel supported on this journey, as we firmly believe that the more we understand, the better we can act. This is not a technical manual, nor does it claim to be. Instead, we hope it will be a source of growth and inspiration for you and for all those who, like us, believe that change is possible when we speak the same language.

Enjoy the journey, look things up and learn, because this is just the beginning.

Best regards.



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**Before we begin...**

What is the meaning of





# environmental

## **Environmental**

*/ 'ən, vīrə(n) 'men(t)l /*

Refers to the impact of a company's operations on the natural environment, including factors like resource use, pollution, climate change and biodiversity.



# social



## Social Impact

*/ 'soʊʃəl / ɪmˌpækt /*

Refers to the positive or negative effects an organisation's actions have on communities, including improving well-being, reducing inequality and fostering social development through responsible business practices and community engagement.



## Governance

*/ˈɡʌvənənts/*

Refers to the structures, policies and practices by which a company is directed and controlled. Governance factors include board composition, executive compensation and shareholder rights.



+100  
*key words*

TO UNDERSTAND  
THE PRESENT & FUTURE  
OF SUSTAINABILITY





### 01 Accountability

/əˈkaʊntəˈbɪlɪti/

The obligation of an organisation or its representatives to account for its activities, accept responsibility and disclose results in a transparent manner.

### 02 Affirmative Action

/əˈfɜːmətɪv / ˈækfʌn/

Policies and practices designed to address historical injustices and inequalities by providing opportunities to underrepresented or disadvantaged groups in education, employment and other areas.

### 03 Anti-Corruption

/'ænti-kə'rʌpʃən/

Policies and procedures implemented by organisations to prevent, detect and respond to corrupt practices, such as bribery and fraud, within the organisation.

### 04 Audit Committee

/'ɔːdɪt / kə'mɪti/

A subcommittee of the board of directors responsible for overseeing the financial reporting process, the audit process, the company's internal controls and compliance with laws and regulations.

### 05 Biodegradable

/'baɪəʊdɪ'greɪdəbəl/

Materials that can be broken down naturally by microorganisms, such as bacteria or fungi, into simpler substances, typically within a short time frame.

### 06 Biodiversity

/'baɪəʊdəɪ'vɜːsəti/

The variety of life in the world or in a particular habitat or ecosystem. In ESG, it refers to the impact of business activities on ecosystems and the diversity of species.

*“You cannot get through a single day without having an impact on the world around you. What you do makes a difference and you have to decide what kind of difference you want to make.”*

**Jane Goodall**  
Primatologist and Anthropologist

The efforts to conserve biodiversity focus on protecting ecosystems, species and genetic diversity through key actions such as:

#### REINFORCING

Creating national parks, wildlife reserves and marine protected areas to safeguard vital ecosystems.

#### RETHINKING

Promoting a more sustainable agriculture, forestry and fishing to balance resource use with conservation.

#### REGENERATING

Restoring degraded ecosystems through reforestation and habitat rehabilitation.

#### REGULATING

Implementing international agreements like the Convention on Biological Diversity (CBD) and national laws to ensure biodiversity protection and sustainable use.



**07**  
**Board Composition**

*/ bɔ:d / , kɒmpə'zɪʃn /*

The makeup of a company's board of directors, including the mix of skills, experience, diversity and independence of the board members.

**08**  
**Board Diversity**

*/ bɔ:d / daɪ'vɜ:səti /*

The inclusion of a variety of individuals from different backgrounds (gender, ethnicity, age, etc.) on a company's board of directors. It is considered a factor in good governance.

**09**  
**Board Independence**

*/ bɔ:d / daɪ'vɜ:səti /*

The extent to which board members are free from conflicts of interest and can make decisions without undue influence from management or other insiders.

**10**  
**Board of Directors**

*/ bɔ:d vɪ / daɪ'rektəz /*

A group of individuals elected to represent shareholders and oversee the activities and decisions of the organisation, ensuring that it acts in the best interests of its shareholders and other stakeholders.

**11**  
**Business Ethics**

*/ 'bɪznɪs / 'eθɪks /*

The principles and standards that guide behaviour in the world of business, ensuring that companies act in a fair, transparent and responsible manner.

**DID YOU KNOW...**

*...that many companies are adopting sustainability goals and reducing their carbon footprints?*

*For example, a report from the Carbon Disclosure Project (CDP) showed that over 5,000 companies are now disclosing their environmental impacts and setting targets to reduce emissions.*

**12**  
**Carbon Disclosure Project (CDP)**

*/ 'kɑ:bən / dɪ'skləʊʒə / 'prɒdʒekt (si:-di:-pi:) /*

A global disclosure system that enables companies, cities, states and regions to measure and manage their environmental impacts, particularly related to climate change.



# carbon footprint

## 13 Carbon Footprint

/ 'ka.bən / 'fɒtprɪnt /

The total amount of greenhouse gases (GHG) emitted directly or indirectly by an individual, organisation, event or product, expressed as carbon dioxide equivalent (CO<sub>2</sub>e).

*“Reducing your carbon footprint isn’t just about personal responsibility—it’s about collective action for the planet’s survival.”*

**Paul Hawken**  
Environmentalist and Author

### SCOPE 1

**Direct emissions**  
from sources owned or controlled by the company, such as company vehicles, manufacturing, or on-site fuel combustion.

### SCOPE 2

**Indirect emissions**  
from the consumption of purchased energy, like electricity, heat, or steam. Although these emissions occur off-site, they are associated with the organisation’s energy use.

### SCOPE 3

**Indirect emissions**  
throughout the value chain, including emissions from suppliers, business travel, product use, waste disposal, and even employee commuting.



**14**  
**Carbon Neutral**  
*/'ka:bən / 'nju:trəl /*

Achieving a balance between emitting carbon and absorbing carbon from the atmosphere in carbon sinks, resulting in a net-zero carbon footprint.

*“In a circular economy, waste is a resource and the linear economy is not the only way to do business.”*

**Ellen MacArthur**  
British sailor and founder  
of the Ellen MacArthur Foundation

**15**  
**Carbon Sequestration**  
*/'ka:bən / ,si:kweɪ'streɪʃən /*

The process of capturing and storing atmospheric carbon dioxide, typically through natural processes like photosynthesis in trees or artificial methods like carbon capture and storage (CCS) technologies.

**16**  
**Circular Economy**  
*/'sɜ:kjələr / i'kɒnəmi /*

An economic system aimed at eliminating waste and the continual use of resources through principles of recycling, reuse and remanufacturing.

circular

economy





**17**  
**Climate Change**

/ 'klaɪmət / tʃeɪndʒ /

Long-term changes in temperature, precipitation and other atmospheric conditions on Earth. This is often driven by human activities, such as burning fossil fuels, leading to global warming and other climate disruptions.

**18**  
**Climate Justice**

/ 'klaɪmət / 'dʒʌstɪs /

A term used to frame climate change as an ethical and political issue, rather than purely environmental or physical in nature. It focuses on the fair distribution of the benefits and burdens of climate change.

**19**  
**Climate Risk**

/ 'klaɪmət / rɪsk /

The potential financial risks to a company due to climate change, including physical risks from climate impacts and transition risks related to moving to a lower-carbon economy.

**20**  
**Climate**

/ 'klaɪmət /

The long-term pattern of weather conditions in a particular area, typically averaged over a period of 30 years.

**21**  
**Community Development**

/ kə'mju:nəti / dɪ'veləpmənt/

A process where community members come together to take collective action and generate solutions to common problems, aiming to improve the well-being of individuals and communities.

*“Climate change is an opportunity for us to reimagine the world we live in and create a more sustainable and equitable future.”*

**Christiana Figueres**

Former Executive Secretary of the UN Framework Convention on Climate Change



22  
**Compliance**  
*/ kəm 'plaiəns /*

Adherence to laws, regulations, guidelines and specifications relevant to the organisation's business activities. Effective governance includes robust compliance programmes to manage risks.

# compliance



**ENVIRONMENTAL COMPLIANCE**

Ensures companies minimise environmental impact by improving energy efficiency, controlling pollution, managing resources sustainably and reducing carbon emissions.



**SOCIAL COMPLIANCE**

Focuses on fair labour practices, promoting diversity, respecting human rights and contributing positively to local communities.



**GOVERNANCE COMPLIANCE**

Ensures transparency, ethical leadership, anti-corruption measures and diverse, independent board members to guide responsible decision-making.



## 23 Conflict of Interest

*/ 'kɒnflikt / ɒv / 'ɪntrest /*

A situation in which an individual or organisation has competing interests or loyalties that could potentially influence their decision-making.

## 24 Conservation

*/ ,kɒnsə'veɪʃn /*

The protection, preservation, management or restoration of natural environments and the ecological communities that inhabit them. Conservation aims to maintain biodiversity and ecosystem services.

## 25 Corporate Governance

*/ 'kɔ:pərət / 'gʌvənəns /*

The system by which companies are directed and controlled, including the rules and practices that govern the relationships between the company's management, board, shareholders and other stakeholders.

## 26 Corporate Social Responsibility (CSR)

*/ 'kɔ:pərət / 'səʊʃl / rɪ'spɒnsɪ'bɪləti (si:-es-a) /*

A business model in which companies integrate social and environmental concerns in their operations and interactions with stakeholders.

## 27 Corporate Transparency

*/ kɔ:pərət / træ'n'spærənsi /*

The extent to which a company openly shares information about its operations, governance, financial performance and ESG practices with stakeholders.

## 28 Cultural Competence

*/ 'kʌltʃərəl / 'kɒmpɪtəns /*

The ability of individuals and organisations to work effectively in cross-cultural situations by understanding, respecting and valuing cultural differences.

## 29 Data Privacy

*/ 'deɪtə / 'prɪvəsi /*

The governance of personal data to ensure they are processed responsibly, securely and in compliance with applicable laws, protecting individuals' privacy rights.

## 30 Decarbonisation

*/ dē,kərb(ə)nə'sāSH(ə)n /*

The process of reducing carbon dioxide emissions associated with human activities, particularly through the use of low-carbon energy sources and increased energy efficiency.

## 31 Deforestation

*/ dɪ'fɒrɪ'steɪʃn /*

The clearing or thinning of forests by humans. This has a significant impact on carbon dioxide levels, as trees act as carbon sinks.

## 32 Demographics

*/ ,demə'græfɪks /*

The statistical characteristics of human populations, such as age, race, gender, income and education, often used to identify trends and inform social policies.

## 33 Disclosure

*/ dɪ'skləʊʒə /*

The act of providing information to stakeholders about the company's operations, financial performance, risks and ESG practices. Proper disclosure is key to transparency and trust.

## 34 Diversity, Equity, and Inclusion (DEI)

*/ daɪ'vɜ:səti / 'ekwɪti / ɪn'klu:ʒən (di:-i:-ai) /*

Initiatives and policies that promote diverse representation, equitable treatment and inclusive environments within organisations.



### 35 Dual-Class Shares

/ 'dju:əl-kla:s / feəz /

A type of stock structure where some shares grant more voting rights than others, often giving founders or insiders control over corporate decisions, even if they own a minority of the equity.

### 36 Ecology

/ i 'kɒlədʒi /

The branch of biology that studies the interactions between organisms and their environments, including both biotic (living) and abiotic (non-living) components.

### 37 Economic Inequality

/ ,i:kə 'nɒmɪk / ɪn 'kwɒləti /

The unequal distribution of income and opportunity between different groups in society, often leading to social tensions and reduced social mobility.

### 38 Ecosystem

/ 'i:kəʊ'sɪstəm /

A community of living organisms interacting with one another and their physical environment, such as a forest, coral reef or wetland. Ecosystems provide vital services like clean water, air and food.

### 39 Empowerment

/ ɪm 'pʌəmənt /

The process of increasing the capacity of individuals or groups to make choices and transform those choices into desired actions and outcomes.

### 40 Endangered Species

/ ɪn 'demdʒəd / 'spi:ʃi:z /

Species that are at risk of extinction due to factors like habitat loss, poaching, pollution or climate change. Conservation efforts often focus on protecting these species.



endangered

species

#### DID YOU KNOW...

*That global efforts in conservation have led to the recovery of over 40 species from the brink of extinction between 1993 and 2021?*

Source: International Union for Conservation of Nature (IUCN).





**41**  
**Environmental Impact**  
*/m,vaɪrən'mentl/ /'ɪmpækt/*

The effect that a company's activities have on the natural environment, including factors such as pollution, waste management and resource use.



## 42 Environmental Justice

*/m,vaɪrə'nɪməntəl / 'dʒʌstɪs /*

The fair treatment and meaningful involvement of all people, regardless of race, colour, national origin or income, in the development, implementation and enforcement of environmental laws, regulations and policies.

## 43 Equity

*/'ɛkwɪti /*

The fair treatment, access and opportunity for all people, taking into account historical and structural disadvantages to ensure that everyone has the potential to succeed.

*“The environmental crisis is a social crisis. Injustice against nature is injustice against people.”*

**Nnimmo Bassey**

Nigerian environmental activist and author

## 44 ESG Reporting

*/i:-es-dʒi: / rɪ'pɔ:tɪŋ /*

The process by which companies disclose information on their environmental, social and governance practices and performance to stakeholders, often in the form of annual reports.

## 45 Ethical Investing

*/'ɛθɪkəl / ɪn'vestɪŋ /*

An investment strategy that considers the ethical, social and governance aspects of a company or industry, in addition to financial returns.



**46**  
**Ethical Leadership**

*/ 'eθɪkəl / 'li:dəʃɪp /*

Leadership based on respect for ethical beliefs and values and for the dignity and rights of others, promoting a culture of integrity within the organisation.

**47**  
**Ethnic Minority**

*/ 'eθnɪk / maɪ 'nɒrəti /*

A group of people who differ in race or colour or in national, religious or cultural origin from the dominant group in a country or region.

**48**  
**Eutrophication**

*/ yoo, trəʃə 'kɑːSH(ə)n /*

The process by which a body of water becomes overly enriched with nutrients, leading to excessive growth of algae and depletion of oxygen, often resulting in the death of aquatic life.

**49**  
**Executive Compensation**

*/ ɪg 'zɛkjətɪv /, kəmpeɪ 'seɪʃən /*

The financial compensation and other benefits received by an organisation's executives. Governance practices often scrutinise how these are tied to performance and aligned with shareholder interests.

*Ethical Leadership*





## 50 Fiduciary Duty

*/fiˈdʒuːʃiəri / ˈdʒuːti /*

The legal obligation of one party to act in the best interests of another. In the context of governance, board members and executives have a fiduciary duty to act in the best interests of the company's shareholders.

## 51 Fossil Fuel Divestment

*/'fɒsəl / ˈfjuːəl / daɪˈvestmənt /*

The process of selling off investment assets tied to companies involved in extracting fossil fuels, as part of a strategy to reduce carbon emissions and promote sustainability.

## 52 Gender Equality

*/bɔːd / daɪˈvɜːsəti /*

The state in which access to rights or opportunities is unaffected by gender. It aims for equal treatment of all genders in legal, social and economic contexts.

## 53 Gender Identity

*/'dʒendər / iˈkwɒləti /*

A person's internal sense of their own gender, whether male, female, a blend of both or neither, which may or may not align with the sex assigned at birth.

## 54 Global Warming

*/'glɔːbəl / ˈwɔːmɪŋ /*

The observed increase in Earth's average surface temperature due to rising levels of greenhouse gases.

## 55 Green Bond

*/griːn / bɒnd /*

A type of fixed-income instrument specifically earmarked to raise money for climate and environmental projects.

## 56 Greenhouse Effect

*/'griːnhaʊs / ɪˈfekt /*

The process by which greenhouse gases trap heat in the atmosphere, warming the Earth.

## 57 Greenhouse Gases (GHGs)

*/griːnhaʊs / ˈgæsɪz (dʒiː-ɪf-dʒiːz) /*

Gases that trap heat in the atmosphere, including carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O) and fluorinated gases.



## 58 Greenwashing

*/grɪːnˈwɒʃɪŋ/*

The practice of making misleading claims about the environmental benefits of a product, service or company practices to appear more environmentally-friendly than they actually are.

green

washing

### KEY ACTIONS TO PROMOTE TRANSPARENCY



#### GREEN GUIDES

The U.S. Federal Trade Commission gives companies guidance on making truthful environmental claims and avoiding misleading marketing.



#### EUROPEAN GREEN DEAL

The European Union is enforcing stricter rules to fight greenwashing as part of its plan to make Europe climate-neutral by 2050.



#### CONSUMER DEMANDS

As people become more aware of greenwashing, they are demanding more honesty and accountability from brands, pushing companies to make real environmental changes or risk losing customers.



# g.r.e.s.b.



## 59 GRESB

*/dʒiː-ɑːr-iː-es-biː/*

A mission driven and investor led organisation providing standardised and validated Environmental, Social and Governance (ESG) data to the capital markets. Established in 2009, GRESB has become the leading ESG benchmark for real estate and infrastructure investments across the world.

*“Investors and managers need to embrace the GRESB standards to drive the future of sustainable investing.”*

**Maggie O’Neill**  
Co-founder of GRESB

# habitat



**60**  
**Habitat**  
/ 'hæbɪtæt /

The natural environment in which a particular species lives and grows, including all the biotic and abiotic factors that influence its survival and reproduction.

**61**  
**Hazardous Waste**  
/ 'hæzədəs / weɪst /

Waste materials that are dangerous or potentially harmful to human health or the environment. This includes chemicals, radioactive materials and biological waste.

**62**  
**Human Capital**  
/ 'hju:mən / 'kæpɪtəl /

The economic value of a worker's experience and skills, including education, training, intelligence, skills, health and other aspects employers value, such as loyalty and punctuality.

**63**  
**Human Rights**  
/ 'hju:mən raɪts /

The basic rights and freedoms that belong to every person in the world, from birth until death, regardless of nationality, sex, national or ethnic origin, colour, religion, language or any other status.

**64**  
**Impact Investing**  
/ 'ɪmpækt ɪn 'vestɪŋ /

Investments made with the intention of generating positive, measurable social and environmental impact alongside a financial return.

**65**  
**Inclusion**  
/ ɪn 'klu:ʒən /

The practice or policy of including people who might otherwise be excluded or marginalised, such as those with disabilities or those from different racial or ethnic groups.



*“The natural environment sustains the life of all beings universally.”*

**Dalai Lama**

**66**  
**Independence**

*/,ɪndɪˈpɛndəns /*

The absence of relationships or circumstances that could impair a director's or auditor's ability to make unbiased decisions in the best interests of the company and its stakeholders.

**67**  
**Internal Controls**

*/ɪnˈtɜːnəl / kənˈtrəʊlz /*

Processes and procedures put in place by a company to ensure the integrity of financial and accounting information, promote accountability and prevent fraud.

**68**  
**Invasive Species**

*/ɪnˈveɪsɪv / ˈspiːʃiːz /*

Non-native species that spread rapidly in a new environment and cause harm to native species, ecosystems or human activities.

**69**  
**Investor Relations (IR)**

*/ɪnˈvɛstə / rɪˈleɪʃnz (ɑː-ɑː) /*

The communication between a company and its shareholders and potential investors, often involving the disclosure of financial information and company strategy.

**70**  
**Marginalisation**

*ˌmɑːrʒənəlaɪzəʃən /*

The process by which certain groups or individuals are pushed to the edge of society, where they have little social, political or economic power.

**71**  
**Materiality**

*/məˈtɪəriˈæləti /*

The relevance and significance of an issue to a company's business operations and financial performance, often used in ESG to determine which factors are most important to report on.





## 72 Microaggressions

/ 'mīkrōə ,greʃhənz /

Everyday verbal, non-verbal and environmental slights, snubs or insults, whether intentional or unintentional, that communicate hostile, derogatory or negative messages to target persons based on their marginalised group membership.

## 73 Minority Shareholders

/ maɪ 'nɔːrəti / 'ʃeə ,həʊldəz /

Shareholders who do not exert control over a company, typically owning a smaller percentage of shares. Good governance ensures their rights and interests are protected.

## 74 Mitigation

/ ,mɪtɪ 'geɪʃn /

Efforts to reduce or prevent the emission of greenhouse gases. This can include using new technologies and renewable energies, making older equipment more energy practices or consumer behaviour.



# mitigation

*“Investing in mitigation is not just about protecting the environment - it’s about protecting economies and the most vulnerable populations from future harm.”*

**Patricia Espinosa**

Former Executive Secretary of the UN Framework Convention on Climate Change



**MITIGATE  
CLIMATE  
CHANGE**

Sustainable management of resources reduces carbon emissions and minimises the effects of climate change, ensuring a healthier planet for all.

**ESSENTIAL  
FOR LIFE**

Natural resources like water, air and soil are the foundation of life on Earth. They provide food, energy and materials for shelter, sustaining human existence.

**SUPPORT  
ECONOMIC  
GROWTH**

Industries such as agriculture, energy and construction rely on natural resources. Protecting them ensures long-term economic stability and opportunities for future generations.

**PRESERVE  
ECOSYSTEMS**

Healthy ecosystems provide clean air, water and biodiversity. Protecting natural resources helps maintain the balance of nature, vital for all species.

# natural resources

**75  
Natural resources**

/ 'nætʃrəl / rɪ 'zɔːsɪz /

Materials and components like water, minerals, forests and fossil fuels that are found in nature and are useful or essential to humans.

*“Earth provides enough to satisfy every man’s needs, but not every man’s greed.”*

**Mahatma Gandhi**

Leader and Activist



# net-zero

**76**  
**Net-Zero**  
*/ net- 'ziərəʊ /*

Achieving a balance between the greenhouse gases emitted into the atmosphere and those removed from it, typically through a combination of emissions reduction and carbon offsetting.

**DID YOU KNOW...**

*that over 70 countries, including the world's largest economies like the USA, China and the EU, have committed to achieving net-zero emissions by 2050? These commitments are part of global efforts to limit the increase in global temperatures and combat climate change.*

Source: International Energy Agency (IEA)



**77  
Nomination  
Committee (Remco)**

/ ,nɒmɪ'neɪʃn / kə'mɪti /

A sub-committee of the board of directors responsible for identifying, evaluating and recommending candidates for the board, ensuring an appropriate mix of skills, experience and diversity membership.

**DID YOU KNOW...**

*...that in several regions of Europe, banning synthetic pesticides has resulted in an impressive increase of up to 30% in wild bee populations over a three-year period? This remarkable growth highlights the positive effects of reducing contaminant exposure on bee health and overall biodiversity.*

Source: International Union for Conservation of Nature (IUCN).

# pollution

**78  
Non-renewable  
Resources**

/ nɒn-ri'nju:əbəl / ri'zɔ:sɪz /

Resources that do not renew themselves at a sufficient rate for sustainable economic extraction, such as fossil fuels, minerals and certain metals.

**79  
Occupational Health  
and Safety**

/ ,ɒkjə'peɪʃnəl / helθ / ænd / 'seɪfti /

The practice of ensuring that the workplace is safe and healthy for employees, often involving regulations, standards and procedures to prevent accidents and injuries.

**80  
Pollution**

/ pə'lu:ʃn /

The introduction of contaminants into the natural environment that cause adverse change, including air, water and soil pollution.



**81**  
**Proxy Voting**  
*/ 'prɒksi 'vəʊtɪŋ /*

The process by which shareholders delegate their voting rights to another party, often in the context of voting on corporate matters like the election of directors or approval of significant transactions.

**82**  
**Racial Equity**  
*/ 'reɪʃl / 'ekwɪti /*

The condition in which racial identity no longer predicts, in a statistical sense, how one fares in society. It is achieved when the systems that shape the lives of people of all races provide equal opportunities.

**83**  
**Racism**  
*/ 'reɪsɪzəm /*

The belief that one race is superior to others, which can result in discrimination and prejudice towards people based on their race or ethnicity.

**84**  
**Refugee**  
*/ ,refjʊ 'dʒiː /*

A person who has been forced to leave their country in order to escape war, persecution or natural disaster

**85**  
**Renewable Energy**  
*/ rɪ 'njuːəbəl / 'enədʒi /*

Energy derived from resources that are naturally replenishing, such as solar, wind and hydroelectric power.

renewable

energy

*“The future of energy is clean energy and renewable energy will be an important part of that future.”*

**Bill Gates**  
Philanthropist and co-founder of Microsoft



# resilience

*“Resilience requires us to anticipate future risks, particularly those from climate change and make investments today that protect people and businesses tomorrow.”*

**Rachel Kyte**

Former CEO of Sustainable Energy for All, Climate Advocate

## 86 Resilience

/rɪˈzɪliəns/

The ability of a system, community or society exposed to hazards to resist, absorb, accommodate and recover from the effects of a hazard in a timely and efficient manner.

## 87 Risk Management

/rɪsk ˈmænɪdʒmənt/

The process of identifying, assessing and controlling threats to an organisation’s capital and earnings, including financial risks, operational risks and risks related to ESG factors.

## 88 Shareholder Activism

ˈʃeə,həʊldər / ˈæktɪvɪzəm /

Actions taken by shareholders to influence a company’s behaviour by exercising their rights as owners. This often involves voting on proposals, engaging with management or mounting campaigns to change governance practices.

## 89 Social Cohesion

ˈsəʊʃl / kəʊˈhiːʒən /

The bonds or “glue” that bring people together in society, often encompassing shared values, a sense of belonging and trust among community members.



# social justice



**90**  
**Social Justice**  
/ 'səʊʃl / 'dʒʌstɪs /

The concept of fair and just relations between individuals and society, encompassing issues like equality, human rights and access to resources and opportunities.

*“As long as poverty, injustice and gross inequality persist in our world, none of us can truly rest.”*

**Nelson Mandela**  
Former President of South Africa

**EQUITABLE DISTRIBUTION OF RESOURCES**

Social justice calls for the fair distribution of wealth, resources and opportunities to reduce inequality and poverty. This may involve policy changes, welfare programs and education reforms.

**SOCIAL INCLUSION**

It promotes the participation of marginalized or disadvantaged groups in society, seeking to eliminate discrimination and remove barriers to full participation in social, economic and political life.

**ACCESS TO TECHNOLOGY**

Ensuring equitable access to technology is vital for social justice. It empowers individuals by providing information and resources, helping to bridge the digital divide and enhance participation in an increasingly connected world.

**HUMAN RIGHTS**

Social justice is closely linked to human rights, advocating for the protection and promotion of fundamental freedoms such as the right to life, liberty and security, as well as access to a fair legal system.

## 91 Social Mobility

*/ 'səʊʃl / məs 'bɪləti /*

The ability of individuals or groups to move within a social hierarchy, which can be upward (improving socioeconomic status) or downward.

## 92 Social Welfare

*/ 'səʊʃl / 'wɛlfəə /*

Programmes and services provided by the government or other organisations to support individuals and families in need, such as healthcare, education and financial assistance.

## 93 Stakeholder Engagement

*/ steɪk, həʊldər / ɪn 'geɪdʒmənt /*

The process by which an organisation involves stakeholders in its decision-making processes, ensuring their interests and concerns are considered in governance practices.

## 94 Stakeholders

*/ 'steɪk, həʊldəz /*

Individuals or groups that are affected by or can affect a company's operations, including employees, customers, suppliers, shareholders and the broader community.

## 95 Succession Planning

*/ sək 'seɪʃn / 'plænɪŋ /*

The process of identifying and developing new leaders who can replace old leaders when they leave, retire or die. Good governance involves ensuring a smooth transition in leadership roles.

## 96 Supply Chain Management

*/ sə 'plaɪ / ʃeɪn / 'mæniʒmənt /*

The management of the flow of goods and services, including all processes that transform raw materials into final products. In ESG, it often focuses on ethical sourcing, reducing environmental impact and ensuring fair labour practices.





# Sustainability

97  
**Sustainability**  
*/ sə, stemə 'bɪləti /*

Meeting the needs of the present without compromising the ability of future generations to meet their own needs, often with a focus on environmental, economic and social dimensions.



# Sustainable development goals

*“The 2030 Agenda for Sustainable Development is our shared blueprint for a peaceful and prosperous world on a healthy planet.”*

**Antonio Guterres**  
Current UN Secretary-General

## 98 Sustainable Development Goals (SDG)

*/səˈstɪnəbəl / diˈveləpmənt / gəʊlz (es-di:-dʒi:)/*

A collection of 17 global goals established by the United Nations General Assembly, to be achieved by 2030, with a focus on social, economic and environmental sustainability.



## 99 Sustainable Investing

*/ sə 'stɛnəbəl / m 'vestɪŋ /*

An investment approach that considers ESG factors in investment decisions, aiming to generate long-term financial returns and positive societal impact.

## 100 Systemic Inequality

*/ si 'stɛmɪk / m 'kwɒləti /*

The ingrained policies, practices and cultural norms that perpetuate inequalities in society, often along the lines of race, gender and class.

## 101 Task Force on Climate-related Financial Disclosures (TCFD)

*/ a:sk / fɔ:s / vɒn / 'klaɪmət-ri 'leɪtɪd / faɪ 'nænfəl / di 'sklæʊzəz (ti:-si:-ɛf-di:) /*

An organisation that develops voluntary, consistent climate-related financial risk disclosures for companies to provide information to investors, lenders, insurers and other stakeholders.

## 102 Tipping Point

*/ 'tɪpɪŋ / pɔɪnt /*

A critical threshold at which a small change in environmental conditions can lead to a dramatic change in the state of the environment, often with potentially irreversible effects.

## 103 Triple Bottom Line (TBL)

*/ 'trɪpəl / 'bɒtəm / laɪn (ti:-bi:-ɛl) /*

A business framework that includes social, environmental and financial considerations, often summarized as people, planet and profit.

## 104 UN Principles for Responsible Investment

*/ ,ʌn / 'prɪnsəpəlz / fɔ: / ri 'spɒnsəbəl / m 'vestmənt /*

A United Nations-supported initiative that works to understand the investment implications of environmental, social and governance factors and supports the incorporation of these factors into investment decision-making.

## 105 Urban Heat Island

*/ 'ɜ:bən / hi:t / 'aɪlənd /*

An urban or metropolitan area that is significantly warmer than its surrounding rural areas due to human activities, such as the concentration of buildings, roads and other heat-absorbing infrastructure.

## 106 Urbanization

*/ ,ɜ:bənaɪ 'zeɪʃəni /*

The process by which rural areas become urbanized as a result of economic development and population growth, leading to the expansion of cities and towns.

## 107 Vulnerable Populations

*/ 'vʌlnərəbəl / ,pɒpjə 'leɪʃənz /*

Groups that are at a higher risk of facing hardships or harm, often due to factors such as poverty, age, disability, race or lack of access to essential services.

## 108 Waste Management

*/ weɪst / 'mæɪnɪdʒmənt /*

The collection, transportation, disposal or recycling of waste materials. Effective waste management minimizes the impact of waste on the environment and human health.

## 109 Wetlands

*/ 'wetləndz /*

Areas where water covers the soil or is present either at or near the surface of the soil all year or for varying periods of time during the year. Wetlands are important for biodiversity, water purification and flood protection.

## 110 Whistleblower Protection

*/ 'wɪsəl 'bləʊə / prə 'teɪkʃən /*

Policies and practices that protect employees who report unethical or illegal activities within an organisation from retaliation, ensuring they can raise concerns without fear.



**111**  
**Zero Emissions**

*/ 'ziərəʊ / i 'miʃnz /*

A state in which no greenhouse gases are emitted into the atmosphere, typically achieved by balancing emissions with removal (as in carbon sequestration) or by eliminating emissions altogether.

**112**  
**Zero Waste**

*/ 'ziərəʊ weɪst /*

A philosophy and design principle that encourages the redesign of resource life cycles so that all products are reused and no waste is sent to landfills or incinerators.

**113**  
**Zoonotic Diseases**

*/ zoʊ 'zɒnəʊsɪs / di 'zi:zɪz /*

Diseases that are transmitted from animals to humans. Environmental changes, such as deforestation and climate change, can increase the risk of zoonotic diseases spreading.



