

ESG IN NOT-FOR-PROFIT

# Driving stakeholder value with ESG

Practical advice to help organizations succeed in a highly competitive environment.

## ESG programs for not-for-profit organizations (NPOs)

In today's world, **environmental, social, and governance (ESG)** is a core pillar of value creation for organizations of all sizes. The need for NPOs to address ESG is no longer a discussion—it's a necessity.

With more than 170,000 NPOs in Canada<sup>1</sup>, the pursuit of funding is highly competitive, and as both donors' and members' expectations evolve, NPOs must invest in ESG.

### ESG issues specific to NPOs

Every industry has different driving forces behind the development of ESG programs. The following issues are material to NPOs:



#### 1. Leading with purpose:

NPOs are purpose-driven by nature. By aligning their mission with the ESG imperative, NPOs can bolster their purpose both internally and externally.



#### 2. Donor acquisition:

Demonstrating ESG's impact on issues that matter to current and potential donors can help grow the donor pipeline. This is important as ESG reporting fosters a culture of transparency, commitment, and growth that attracts donors.



#### 3. Talent attraction and retention:

Activating ESG initiatives on topics that current and potential employees care about can be leveraged to combat the effects of the Great Resignation. This is important as NPOs face particular talent attraction and retention challenges as salaries and benefits are traditionally less than private industries, and career progression opportunities tend to be less expansive.






#### 4. Investing in efficiency:

Becoming more energy and waste efficient in day-to-day operations can demonstrate operational excellence, environmental stewardship, and a culture of innovation. The overall economic health of the organization is improved through cost savings. These funds can ultimately be reinvested in programs to support their core purpose.

## How BDO's sustainability services can help

Our ESG specialists and services can support you regardless of where you are in your sustainability journey.

Strategy 	Implement and optimize 			Measure 
<p>ESG strategy and program development (full and light).</p> <p>Climate change strategy and risk.</p>	<p>Technology innovation and transformation.</p>	<p>Technology enablement.</p> <p>Program implementation and management.</p> <p>ESG technology selection and system implementation.</p> <p>Process risks and controls implementation.</p> <p>GHG emission and carbon management.</p>	<p>Social performance measurement.</p> <p>Governance performance management.</p> <p>Supply chain risk and traceability management.</p> <p>Sustainable finance.</p> <p>M&amp;A sustainable finance: M&amp;A ESG due diligence, ESG investment portfolio, integration, and impact assessment.</p>	<p>ESG target setting.</p> <p>ESG reporting.</p> <p>ESG assurance.</p> <p>Third-party assurance.</p>



## What our leading specialists say

"Investing in an ESG program is more important now than ever. NPOs need to be aware of the increased pressure to measure and report on ESG metrics and demonstrate impact on issues that matter. Forming an effective, sustainable ESG strategy and leveraging technology to support your ESG journey will optimize growth and set your organization for long-term success."

– Pierre Taillefer, National Sustainability & ESG Leader, BDO Canada

## Benefits of investing in ESG programs for NPOs:



Demonstrate social impact beyond the direct mission and vision.



Efficiency and innovation.



Brand reputation.



Building trust and connection.



Donor or member acquisition.



Partnership opportunities.



Talent attraction and retention.

1. <http://sectorsource.ca/research-and-impact/sector-impact>

## TO LEARN MORE, PLEASE CONTACT

### Pierre Taillefer

National Sustainability &  
ESG Leader  
[ptaillefer@bdo.ca](mailto:ptaillefer@bdo.ca)

### Amanda Tso

Operational Excellence Leader,  
Advisory & National Valuations  
Practice Leader  
[atso@bdo.ca](mailto:atso@bdo.ca)

## ABOUT BDO

BDO is a leading provider of professional services, delivering a range of assurance & accounting, tax, and advisory services. Complemented by continuously advancing technology expertise, ESG focus, and 100+ years of being connected to local communities, we're proud to cultivate ongoing relationships with clients and employees across Canada and beyond.

Our people-first approach to our talent experience has earned us multiple awards, including a spot among Canada's Top 100 Employers for 2022.

Assurance | Accounting | Tax | Advisory  
[www.bdo.ca](http://www.bdo.ca)