# How Construction Entities Can Embrace the Power of ESG

ARTICLE 11.08.21 DEAN DORTON

Environmental, Social and Governance (ESG) efforts have transformed the business landscape over the past few years. Stakeholders have expanded their expectations beyond financial results. Construction entities should be proactive and work to identify meaningful ESG metrics which will resonate with both stakeholders and employees. Human resource departments should play an active role in this endeavor as ESG can be used as an employee retention and recruitment tool.

People want to work for companies that have a sustainable future. Additionally, people want to work for companies who support the values of their employees.

ESG efforts will spread throughout every facet of your business, and can greatly impact your culture and success moving forward. You don't want to be left behind. From HR, to your purchasing department, and even your third party partners should share in your commitment to ESG to maximize your efforts, and the benefits to your business.

Here are some ESG areas that construction entities should consider measuring and reporting:

Greenhouse gas emissions
Water consumption
Recycling
Materials including plastic use

Safety
Community impact and integration
Diversity and inclusion
Education and skills

Supply chain management
Board diversity
Policies
Long-term strategy

AECOM, a publicly traded infrastructure consulting firm, has recently launched an ESG strategy which has the following pillars:

- Net zero carbon emissions by 2030 through various initiatives including a 50% reduction in business travel and creating projects around nature-based solutions
- Sustainable development through reducing carbon impact on projects by 50%
- Improve social outcomes through a target of women comprising at least 20% of senior leadership roles and at least 35% of overall workforce

- Enhance governance through leadership accountability and auditing specific ESG targets

No matter what ESG direction you go, you need to ensure that your ESG metrics align with your company's mission. Need help with ideas or facilitating this conversation with your team? Contact us to learn more.

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