

ESG:

IT'S THE NEW KID ON THE BLOCK!

ESG is being heralded as the future for environmental, social and governance across all work practices. But is it the way forward for more ethical people policies? Andy Moore spoke with one Scottish based resourcing business, which is actively pursuing rigorous ESG principles, and he discovers how it embodies ESG in its organisation.



ESG

Mention ESG to many HR practitioners and you'll be met with "widening eyes" in what is considered a revolution in greener, humanitarian and better governed work practices.

ESG stands for Environmental, Social and Governance. It can be best described as a vehicle for enshrining and delivering a broad range of greener, more diverse and socially responsible policies – those that organisations have strived to embody over many years.

The environmental aspect considers how organisations may safeguard the environment and how its corporate policies address climate change and emissions for example.

In turn, the social criteria examines how employers manage relationships with employees, suppliers, customers and communities and ultimately how we create a safe and progressive environment for our children and the future generations to come.

The governance element of ESG deals with aspects such as leadership, audits and internal controls.

An organisation that embodies ESG is the rapidly fast-growing resourcing business, PTR Ltd (Premier Technical Resources Limited) based on the outskirts of Edinburgh and operating in countries across the globe, including: Bulgaria, Poland, The Netherlands and Germany.

Set up by Directors Rob Aitchison and Martin Aisthorpe in 2019, PTR originally outsourced technical and engineering specialists for the oil and gas sector, and is now specialising in the renewables industry too.

PTR was established as a project management organisation, providing technical people in engineering, surveys, quality, health and safety and environmental services.

"ESG is becoming increasingly important both to us and our many client organisations. We have seen a huge increase in the level of interest in ESG and we are investing heavily in this ethical future by operating in green industries that have a high level of compliance," Rob explains.

"From a Diversity, Inclusion & Belonging (DI&B) perspective, we ensure that regardless of people's background, gender, sexual orientation, disability, or any other often discriminated group, they have exactly the same opportunities as everyone else. ESG is very much about ensuring businesses are greener, not meaner but with better governance."

Despite its relatively recent launch, importantly, PTR has 25 years' experience in the energy sector working with business professionals and HR practitioners. It is fully ISO-certified in environmental, H&S (Health & Safety) and quality – and has embarked on a strategy to engage with HR professionals and organisations that seek a resourcer with a strong ESG ethos and accreditation.

ESG is becoming increasingly important to employers, both at management and HR level - a value that PTR spearheads throughout its tender process for organisations.

"Historically, CSR (Corporate Social Responsibility) was more about how HR conduct's its social codes of practice – but some organisations may see this as a tick box exercise. In contrast, ESG delivers CSR with a complete governance process," Rob continues. "Within our tendering process, we are not only ISO certified – but we also have to demonstrate we have the appropriate anti-corruption procedures in place across areas such as anti-bribery and slavery."





For PTR, a huge aspect of Environmental, Social and Governance is being sustainable across its resourcing practices, especially for shorter and longer-term procurement contracts.

Moreover, it can adapt to accommodate clients' ever-changing people and business strategies. The limited company has set out its long-term business plan to cater for all aspects of ESG as society and employers strive to become more sustainable.

For HR, an environmental ethos may include measuring the employee carbon footprint, switching to Net Zero pensions, introducing electric vehicles into the business and changing to renewable energy.

Alongside environmental, the people aspects of ESG can be equally enshrined in modern HR policies, for example in mental health, race relations and disability and discrimination laws.

The organisation has been undergoing a consultancy process to achieve certification with its ESG procedures being comprehensively assessed, including a Gap Analysis and it will have to recertify annually.

"In June, we were audited for ISO45003, the first global standard giving practical guidance on managing psychological health in the workplace," Rob adds. "We believe it is essential to achieve the certification and compliance, both for own people in the workplace - but also for the many clients we are engaging with."

A main principle behind ESG is treating people with respect and dignity, for example enabling overseas workers to take compassionate leave in their home country. PTR enabled a contracted employee working in Germany to take compassionate leave in Bulgaria recently, which was managed within just three hours by our in-house team, and then backfilled the role for temporary cover for a demanding seven-day week contract.

PTR works with a wide range of leading global organisations in the delivery of offshore and onshore projects and services for the evolving energy industry, delivering a strong ESG focus. A number of them are signatories to the UN Global Compact with aims to become Net Zero by 2050, and PTR firmly believe that by matching the same level of commitment that their clients make to ESG, is not only good for business, but it shows that their ethics and values are completely aligned to those of their clients too.

So, what is the future for ESG over the coming years?

Rob sums up: "The way ahead will be to make ESG policies and procedures ever more transparent in work practices. PTR will meet our clients' demands by ensuring everything we do is ethical, open and fair in our supply chain, and by creating a compliant environment for us to operate in. In the near future, the only way businesses will survive is through sustainable and ethical protocols and how we treat our employees."

Environmental, Social and Governance (ESG)

- A vehicle for enshrining and delivering environmental, diversity and social responsibility policies
- Increasingly important to employers at management and HR level
- ESG delivers corporate social responsibility with a complete governance process
- Environmental commitments may include measuring the employee carbon footprint and switching to Net Zero pensions
- A main principle behind ESG is treating people with respect and dignity