# A4S Essential Guide to Enhancing Investor Engagement — Maturity Map

Do your investor engagement activities position your organization to effectively communicate your approach to environmental and social factors?

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Limited inclusion of sustainability into the business, investor communications and engagement</th>
<th>Moderate inclusion of sustainability into the business, investor communications and engagement</th>
<th>Full inclusion of sustainability into the business, investor communications and engagement</th>
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| **Business Fundamentals** | • Limited consideration of how sustainability factors may impact the business model (positively or negatively).  
  • Sustainability activities are ad hoc and not part of a formal strategy.  
  • Sustainability factors are not considered as part of the risk processes.  
  • Limited board oversight of sustainability.  
  • Sustainability-related performance indicators have been set but are not part of the business KPIs.  
  • Sustainability performance is not linked to executive remuneration. | • Some understanding of how sustainability factors underpin the business model, and the relationship between them.  
  • There is a formal sustainability strategy, but it is separate to the business strategy.  
  • Environmental and social factors appear on risk registers, but the sustainability team retains ownership.  
  • Sustainability is partially integrated into governance structures including risk and audit committees, as appropriate. The board has insight into the sustainability activities and is regularly updated on related performance.  
  • Sustainability KPIs are linked to the sustainability strategy, with corresponding targets and progress towards the targets reported alongside the business KPIs. | • Full understanding of the relevance of sustainability factors to the business model, and an effective process for reviewing this on an ongoing basis.  
  • The company identifies opportunities for industry leadership on key environmental and social issues.  
  • The organization has a single, integrated strategy.  
  • Environmental and social factors are viewed as key business drivers and not just through the risk lens.  
  • Sustainability is integrated into risk management and business processes with responsibility for relevant environmental and social issues cascaded throughout the organization.  
  • Capital allocation and business decisions are aligned with sustainability commitments.  
  • The board members are appropriately skilled to exercise oversight of sustainability issues, with evidence of on going training.  
  • Sustainability is integrated into governance structures including risk and audit committees, as appropriate, with a dedicated sustainability committee led by a senior executive.  
  • Executive remuneration schemes are linked to specific environmental and social targets.  
  • KPIs are linked to value drivers and integrated within internal and external reporting. There are clear targets driving performance. |
| **Communications and disclosures** | • Communications about sustainability are not linked to the broader business strategy.  
  • Communications do not articulate the link between sustainability and long-term value creation.  
  • Sustainability is often discussed separately and is not integrated throughout communications.  
  • There is limited explanation of why specific sustainability initiatives are undertaken.  
  • Environmental and social performance is not presented using recognized standards.  
  • Disclosures are largely qualitative with limited quantifiable metrics.  
  • No or limited reporting of performance against strategy and targets.  
  • Sustainability activities are considered to be similar to Corporate Social Responsibility eg donations, grants or volunteering. | • Investor communications incorporate sustainability activities and provide some links to the long-term business strategy.  
  • Communications link some sustainability factors with key business drivers.  
  • There is some integration of sustainability issues in investor communications such as press releases, reports and presentations.  
  • Sustainability performance is presented using recognized standards for key metrics.  
  • Limited to moderate reporting of performance against strategy and targets.  
  • Regular stakeholder engagement on sustainability issues. | • A long-term integrated strategy, presenting short-term results in the context of long-term goals, is reinforced across all communications.  
  • Communications link sustainability performance to long-term value creation.  
  • Context is provided on which environmental and social issues the company is focused on and why.  
  • Sustainability is integrated consistently and holistically, year-on-year and throughout all discussions, presentations, investor communications and reports.  
  • Recognized standards are used when reporting sustainability performance and external assurance is provided over the key metrics.  
  • A consistent, comparable set of KPIs is reported annually. Clear targets are set and performance is communicated transparently and in a balanced manner. |
| **Investor Relations Activities** | • Only the sustainability team can respond to investor questions on sustainability.  
  • Sustainability information is not available on the investor relations section of the company website.  
  • Sustainability reporting is presented separately from financial information in or alongside the annual report.  
  • Investor-focused reports do not include any information about the company’s approach to environmental and social issues.  
  • Investor relations communications focus on the short and medium term and do not meet the information needs of investors focusing on the long term. | • The investor relations and sustainability teams are collaborating and developing an understanding of how to respond to investor questions on sustainability.  
  • Relevant environmental and social information is easily accessible to investors with a link to it from the investor relations section of the company website.  
  • Sustainability information (qualitative and quantitative) is incorporated into annual reports.  
  • Relevant measures of sustainability performance are integrated into quarterly statements, with the focus being on longer-term performance and value creation.  
  • Investor relations communications meet the information needs of investors focusing on the long term. | • The board, executive management team and investor relations colleagues are confident and proactive in explaining to investors how sustainability impacts business performance.  
  • The investor relations team can explain key sustainability issues independently and these aspects are part of regular discussion with investors on overall business strategy and performance.  
  • Investor calls include relevant experts from across the business to enable deep dives into specific sustainability issues.  
  • Relevant sustainability information is included throughout the investor relations section of the company website.  
  • Compelling case studies are included in presentations and reports.  
  • Quarterly reports (where required) are linked back to the long-term strategy.  
  • Investor relations engagements enable a dialogue, particularly around emergent issues and responses. |