



# ESG & Values-Driven Rewards Checklist

## Introduction & Instructions

### Overview

As purpose-driven brands increasingly capture customer loyalty and employee engagement, integrating ESG (Environmental, Social, and Governance) factors into reward programs is no longer optional. According to a 2023 **KPMG report**, 70% of consumers prefer brands with clear sustainability and social responsibility commitments. Meanwhile, **Deloitte** research indicates that ESG-oriented companies often outperform in talent retention and brand value. This checklist ensures your rewards strategy aligns with broader values—bolstering brand credibility and stakeholder trust.

### Purpose

Help organizations embed social responsibility and sustainability principles into their loyalty and incentive programs.

### The benefit of Understanding ESG & Values-Driven Rewards

Building an **ESG & Values-Driven Rewards** framework can significantly enhance employee loyalty, brand reputation, and customer trust. By systematically following each section of this checklist—aligning strategic goals, designing relevant rewards, engaging stakeholders, and measuring impact—you'll be positioned to create a truly purpose-driven culture that resonates with today's values-focused marketplace.

### How to Use This Checklist

1. **Work Through Each Section:** The checklist covers strategic alignment, program design, stakeholder engagement, and measurement.
2. **Fill In the Interactive Fields:** Look for labeled text fields, checkboxes, dropdown menus, and signature lines.
3. **Iterate & Refine:** ESG priorities evolve; revisit this checklist periodically to keep your rewards strategy current and impactful.

## Alignment with Corporate Values & Strategy | Status:

### 1. Clarify ESG Focus Areas

- o Identify 1–3 core ESG pillars that align most strongly with your company’s mission (e.g., carbon reduction, community development, DEI).

**Which ESG pillars are top priority for your organization?**

### 2. Integrate ESG with Business Goals

- o Ensure sustainability and social impact goals align with overall business objectives (growth, reputation, talent acquisition).

**Our sustainability/ESG initiatives are reflected in corporate strategic plans.**

- Yes
- No

### 3. Leadership Buy-In

- o Confirm executive sponsorship and budget support for ESG-based rewards.

**Have you secured leadership approval for allocating resources to ESG rewards?**

- Yes
- No
- In Process

## Defining your ESG Rewards Strategy | Status:

### 1. Identify Key Themes for Rewards

- o Possible approaches:
  - **Environmental:** Carbon offset credits, tree-planting donations, eco-friendly merchandise
  - **Social:** Community service incentives, charitable donations, volunteer hours

- **Governance:** Ethics training, diversity & inclusion initiatives, compliance-based rewards

**Which ESG themes will your rewards focus on?**

- Environmental (Green/Eco)
- Social (Community, Charity)
- Governance (Ethical Behavior, Compliance)
- Other

**2. Reward Formats**

- o Monetary vs. Non-Monetary: Gift cards to sustainable brands, charitable donations in recipients' names, experiences with social impact partners

**List specific rewards you plan to offer that reinforce your ESG focus areas.**

**3. Balancing Short-Term & Long-Term Incentives**

- o Short-term: Recognize day-to-day ESG-friendly actions (e.g., carpooling, recycling).
- o Long-term: Link bigger rewards to significant milestones (e.g., successful completion of sustainability initiatives).

**Do you differentiate between short-term and long-term ESG rewards?**

- Yes
- No

**Stakeholder Engagement (Employees & Customers) | Status:**

**1. Employee Involvement**

- o Encourage volunteer hours, peer recognition for ESG contributions, and employee-led "green teams."

**Describe how employees can participate in ESG-focused rewards (e.g., volunteer tracking, suggestion boxes).**

**2. Customer Engagement**

- o Invite customers to donate loyalty points to causes, or earn rewards for sustainable behaviors (e.g., using reusable packaging).

**Do you offer customers the option to convert points into charitable donations?**

- Yes
- No

**3. Co-Creation**

- o Solicit feedback from employees and customers on which ESG initiatives matter most to them.

**Have you surveyed stakeholders about ESG program preferences?**

- Yes
- No
- Plan to Conduct Survey

**Section 4: Partnerships & Collaborations | Status:**

**1. Assess External Partners**

- o Identify nonprofits, NGOs, or certified B Corporations that align with your ESG goals.

**List potential partnership organizations for joint ESG rewards or co-branded initiatives.**

**2. Verification & Certifications**

- o Work with reputable partners (e.g., Fair Trade, 1% for the Planet) to ensure authenticity.

**Have you vetted each partner’s credentials and certifications?**

- Yes
- No

**3. Co-Marketing Opportunities**

- o Collaborate on shared campaigns highlighting social or environmental impact.

**Outline any upcoming joint marketing events or promotions with ESG partners.**

**Communication & Storytelling | Status:**

**1. Develop Clear Messaging**

- o Use compelling narratives to show how rewards support ESG initiatives.

**Have you created a brand story around your ESG-focused rewards?**

- Yes
- No

**2. Multichannel Rollout**

- o Share progress and success stories via company newsletters, social media, internal portals, or events.

**Which communication channels will you prioritize for ESG updates?**

**3. Transparency & Impact Reporting**

- o Provide tangible metrics and stories (e.g., number of trees planted, volunteer hours donated).

**Do you publish ESG reward impact reports?**

- Yes, annually
- No
- Plan to Implement

**Operational Considerations | Status:**

**1. Budget Allocation**

- o Determine the percentage of your overall rewards/incentives budget dedicated to ESG.

**What % of your annual reward budget do you plan to allocate to ESG-driven rewards?**

**2. Technology & Platform**

- o Evaluate platforms that support charitable contributions, track volunteer hours, or handle eco-reward redemption.

**Do you have an existing loyalty or rewards platform capable of supporting ESG components?**

- Yes
- No

**3. Legal & Compliance**

- o Verify local regulations regarding charitable giving, sustainability claims, and data privacy.

**List any key legal requirements or compliance issues relevant to your ESG rewards program.**

## Measurement & Continuous Improvement | Status:

### 1. Define ESG Metrics & KPIs

- o Examples: CO2 emissions offset, volunteer hours logged, charitable contributions, diversity metrics in engagement.

**Which top 2–3 ESG metrics will you measure and report on?**

### 2. Data Collection & Reporting

- o Use dashboards or analytics tools to track participation rates, redemption data, and impact metrics.

**Is there a centralized dashboard or reporting tool for ESG reward metrics?**

- Yes
- No

### 3. Iterative Program Updates

- o Conduct quarterly or annual reviews to refine ESG reward offerings.

**Will you schedule regular reviews to update the ESG rewards strategy?**

- Yes
- No
- Plan to Implement

## Final Review & Action Plan | Status:

1. Mark each section's status:
  - o Completed

- o In Progress
- o Not Started

**2. Roadmap & Timeline**

- o Outline key milestones (pilot launches, major ESG events, annual reporting).

**Describe your 90-day or 6-month action plan for rolling out ESG-focused rewards.**

**3. Stakeholder Sign-Off**

- o Secure approvals from leadership, sustainability officers, HR, and marketing.

**Approval Signatures**

**Signature 1:** \_\_\_\_\_

**Signature 2:** \_\_\_\_\_