Questions for boards

1. Do you allocate sufficient board bandwidth for understanding sustainability risks and drivers of sustainable value creation?
2. Have you implemented governance structures and processes at the board level to oversee these risks while capturing market opportunities for sustainable solutions; how might you do this?
3. How do you engage with shareholders to communicate how various sustainability pathways might influence your organisation in terms of climate, nature and social impacts, compliance risks, cost of capital, physical risks, and shifting consumer taste?
4. How is the board actively overseeing the alignment of sustainability commitments with targets, business strategy, leadership incentives, and capital allocation decisions?
5. What specific changes in strategy, processes, and leadership actions are required to embed sustainability into your competitive advantage?
6. Does the board require senior management to conduct stress tests on future projections, considering the financial impact of internalising the costs of carbon emissions, pollution and plastics, etc? At a minimum, does the board ask senior management to perform stress tests aligned with the Paris Agreement and Nationally Determined Contributions?
7. Is the board actively challenging senior management to innovate in embedding circular economy and regenerative principles, resource efficiency, and resilience in your core operations?
8. What processes are in place to ensure the company delivers sustainability data that is comprehensive, accurate, and comparable, and do you transparently disclose the systems behind the setting of targets and the quality of sustainability data collection?
9. How does your board manage shareholder expectations in the face of potential trade-offs between sustainability commitments and near-term profitability?
10. What mechanisms exist to equitably integrate diverse shareholder views into board-level strategic discussions?
11. How are you staying ahead of shifts in institutional investors' priorities driven by climate, nature-related and societal trends?
12. Are you actively contributing to industry-wide sustainability efforts, such as collaborating on sectoral decarbonization pathways or addressing systemic challenges? Additionally, are you leveraging your influence to support sustainability regulation and advocate for a redesign of market conditions that would incentivise and reward sustainable business practices?



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