Note on the Environment, Social and Governance (ESG)

The three pillars, Environment, Social and Governance (ESG), build a framework used to assess an organization's business practices and performance on various sustainability and ethical issues. It also provides a way to measure a business' impacts, risks and opportunities in those areas. ESG reporting is an increasing method for investors to understand a company's approach to the sustainability goals and use it as a criteria for investment. Here we define E, S and G for companies in general. However, these definitions are also applicable to airports. The approach and initiatives include any efforts that airports are making towards sustainability and climate resilience.

- **Environment**: This aspect focuses on how a company addresses environmental issues such as its resource usage, pollution control, and efforts to mitigate climate change.

- **Social**: The social component assesses how a company manages its relationships with employees, customers, suppliers, and the broader community. It considers factors like diversity and inclusion, labor practices, community engagement, and the company's impact on societal well-being.

- **Governance**: Governance evaluates the internal policies, procedures, and structures that govern a company's operations. It examines aspects like board composition, executive compensation (remuneration), transparency, and adherence to ethical and legal standards such as anti-corruption and bribery.

ACI World has partnered with Netherlands Airport Consultants (NACO) and To70 to create a ESG framework and its Application Guidance for Airport companies.

Link to Press release: https://aci.aero/2023/10/31/a-global-framework-for-improved-airport-esg-reporting/

As a part of this project, ACI will be circulating a global survey to understand the perception of airports on this topic.