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ESG and sustainability

Rethinking communication and credibility

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Executive summary

This research report is from an Innovate UK Knowledge Transfer Partnership collaboration between the University of Nottingham and Browne Jacobson. It involved a survey of 248 professionals to assess how organisations communicate and implement sustainability or environmental, social and governance (ESG) principles.

Conducted from autumn 2024 to spring 2025, the study gathered insights from a diverse range of sectors and organisational sizes across the UK and internationally. Respondents were operating in the private and public sectors.

This report provides insight into good practice adopted by organisations as they strive to achieve their ESG goals. It also identifies some of the challenges they have encountered and where they might benefit from more support, including to navigate complex regulation and to develop robust data collection and analysis strategies. The research presents a unique evaluation of how organisations “talk” about ESG and this report concludes with recommendations for enhancing effective communication to promote accurate, authentic and credible messaging.

Key findings

1

The importance of ESG

A total of 83% participants reported that ESG was an important priority in their organisations. There was no observable decrease in commitment to ESG over the research period, despite recent changes to ESG policy in the US following Trump's re-election in November 2024.

The aspect or "dimension" of ESG which was most commonly addressed was environmental. 59% of participants' organisations have made substantial operational changes to meet ESG goals, focusing on areas including energy efficiency, waste management and sustainable procurement. Specific measures include installing energy-efficient technologies such as LED lighting, motion sensors and solar panels on premises to reduce energy consumption. They also report revamping waste management processes, implementing comprehensive recycling programs and reducing single-use plastics.

Organisations report significant successes in operational changes aimed at enhancing their ESG commitments. Key initiatives include the installation of energy-saving measures such as solar panels and LED lighting, which have led to notable reductions in energy costs. Additionally, comprehensive recycling programmes have been implemented, ensuring that items including unsold clothing and food do not end up in landfills but are instead recycled or donated.

Other successful changes include the adoption of electric vehicle fleets, the promotion of remote working to reduce commuter emissions and rigorous ESG due diligence in procurement processes.

However, participants note that implementing ESG strategies is often hindered by high costs, the need to align competing priorities of diverse stakeholders, and the challenges of navigating complex regulatory environments. Streamlining and harmonising reporting requirements, regulations and frameworks would reduce onerous and complicated responsibilities on organisations, which are reported to be poorly understood by some.

Almost two-thirds (65%) of organisations have accessed specialist legal advice on ESG issues, especially diversity, equity and inclusion (DEI), whistleblowing and statutory reporting/disclosures (e.g. as to carbon emissions or modern slavery). However, legal advice specifically on ESG is infrequently sought in the context of operational matters which otherwise tend to require specialist legal input. Only 5% of respondents had sought legal advice on ESG issues in relation to Mergers & Acquisitions (M&A), and fewer than 20% in relation to ESG factors in disputes (even on "greenwashing" risks), or in addressing finance or insurance contract issues. A notable number of participants mentioned relying on non-lawyer consultants or advisers rather than law firms for advice.

2
Language

Organisations use a range of terms to talk about their commitments to environmental and social matters. Terms used in participants' organisations include "sustainability" (72%), "ESG" (45%) and "corporate social responsibility" (39%), as well as more specific terms like "net zero" (48%) and "decarbonisation" (33%). These terms reflect diverse organisational foci and sector-specific language.

One in four participants found the term "ESG" to be problematic. They observe that it is frequently misunderstood and inconsistently used, associated with political issues and seen as focusing narrowly on regulatory compliance rather than broader values. Some participants much prefer the term "sustainability", which seems to be better understood, though it is often perceived primarily as environmental. Both "ESG" and "sustainability" seem more closely linked to environmental than social initiatives, although a number of participants do include measures such as inclusion and community outreach within these categories.

A quarter of participants expressed frustration over misstatements about ESG credentials, which they encounter in their respective fields. They highlighted concerns about organisations using vague language and making unsubstantiated claims that can be misleading to stakeholders about the actual environmental and social impacts of their operations. A lack of credible and accurate data is often seen to underlie overstated ESG credentials. Some participants noted that competitors sometimes overstate their commitment to diversity or environmental sustainability without making substantive changes. This not only leads to scepticism amongst informed professionals, but also dilutes the credibility of genuine ESG efforts across industries.

3
Diversity, equity and inclusion (DEI)

DEI terminology is used by 60% of organisations, underlining its important role in shaping organisational culture and recruitment practices. DEI initiatives tend to focus mostly on Protected Characteristics identified under the Equality Act 2010. Race, ethnicity, mental health and sexual orientation are addressed most often. Socioeconomic background and caring responsibilities receive less attention. Neither is covered specifically as a Protected Characteristic, although carers, associated with disability, are protected from discrimination.

DEI successes were reported in recruitment initiatives and mentoring, although some organisations were still struggling to attract women and ethnically diverse recruits. A key challenge was in gathering meaningful DEI data.

4

Organisational commitments to meet ESG goals

Three in four respondents indicated that their organisations are prepared to risk income or profitability to enhance their impact on the environment and society. This reflects a strong commitment to achieving long-term ESG goals, despite potential short-term financial setbacks. Nearly half of respondents' organisations are willing to change suppliers, materials, or products to better align with ESG standards. Over one in three (36%) stated that their organisations would be prepared to pass on increased costs to customers as part of their commitment to ESG principles. Just under one in three (31%) were prepared to end or reduce relationships with clients who do not align with their ESG goals, underscoring the importance placed on ethical business practices.

5

Recommendations for effective communication

The following recommendations to improve environmental and social communication emerge from our research:

1. **Use accurate and specific language:** It's crucial for organisations to choose terms that precisely reflect their obligations, objectives and standing as to ESG, avoiding vague or overly broad terms that can lead to misunderstandings.
2. **Adopt clear definitions and explanations:** Terms like "sustainability" should be explicitly defined in communications to ensure all stakeholders have a shared understanding. This is particularly important when these terms cover both environmental and social sustainability or cover whether an organisation's methodologies or culture of governance are themselves sustainable. For instance, do the organisation's employees have the "psychological safety" to present challenges during decision-making processes, avoiding a "herd mentality"? Does the organisation have sustainable long-term growth (as opposed to, for instance, short-term rewards for certain stakeholders)?
3. **Avoid undefined abbreviations:** Abbreviations such as "ESG" and "CSR" (Corporate Social Responsibility) should be clearly defined at their first use to prevent confusion and enhance stakeholder understanding.
4. **Know your audience:** Tailoring language or providing explanations based on the audience's familiarity with ESG concepts is essential. This is vital in sectors where such terminology might be less common or in circumstances where there are specific legal or regulatory obligations (such as in making climate-related financial disclosures in corporate reporting).
5. **Evidence your claims:** Seek professional support if you need it to develop robust data collection and analysis strategies and use data as evidence to support your ESG claims to ensure authenticity and credibility. Be clear and transparent about any areas for improvement in the data that you are currently collecting and using.

Introduction

This report presents findings from an in-depth survey of 248 professionals working in organisations of all sizes in the UK and beyond. It provides a comprehensive exploration of how organisations "talk" about and approach their impact on the environment and society, including ensuring effective governance and compliance.

These matters are commonly referred to as "sustainability", "CSR" (Corporate Social Responsibility) or "ESG" (environmental, social and governance). However, as this report will illustrate, there are a plethora of alternative words and phrases in use today.

The variety of language and terminology used to talk about these issues goes to the heart of effective communication. Our research explores the challenges faced by organisations, both public and private sector, as they convey their approaches, goals and the impact of their activities on the environment and society. Which terms do organisations use most often and why? What do people understand the terms to mean and are those meanings consistent across organisations? And how do organisations communicate about the approaches that they take to responsible business and operational practices? This report will share findings that address these questions and present recommendations to improve the effectiveness of organisational messaging, internally and externally.

It is impossible to ignore the global context and shifting political and organisational attitudes towards inclusion and the environment, which gained pace as we conducted this research. The inauguration of President Trump in January 2025 saw the US withdrawing from the Paris Climate Accord and dismantling diversity, equity and inclusion (DEI) programmes. This report shares insights which indicate that UK participants' organisations are not currently following suit. The report explores the extent of commitment to principles of inclusion and sustainability in primarily UK contexts, as well as ripples felt in global organisations.

The report also identifies which environmental, social and governance matters are most important to participants' organisations and where they have encountered successes and challenges. These examples provide insight into how barriers can be overcome and where further effort could be focused. It also shares how participants stay up to date on developments and where they typically need external support. Finally, we look to the future, exploring how organisations anticipate that priorities might change over next few years. This includes examining which operational changes organisations are prepared to make, or not make, in order to meet their environmental, social and governance goals.

About the research

This study was conducted as part of a Knowledge Transfer Partnership between University of Nottingham and Browne Jacobson, with funding from the UK government's Research and Innovation strand, Innovate UK. Knowledge Transfer Partnerships bring together forward-thinking businesses and expert academics to tackle strategic innovation challenges to deliver positive economic, societal and environmental outcomes.

The research was led by professional communications experts, Dr Victoria Howard and Professor Louise Mullany from the **Linguistic Profiling for Professionals** business consultancy in the Centre for Research in Applied Linguistics at the University of Nottingham. Browne Jacobson collaborated with the University on the survey and its promotion.

The collaborative team from Browne Jacobson consists of Jeremy Irving (Partner and Head of Financial Services Regulation) and Ben Standing (Partner, Public Law, Environment and Planning). Alistair Taylor (Associate, Public Law, Environment and Planning) also supported with the design of the survey questions.

We collected data via an online survey between October 2024 and March 2025. All data collection and analysis were conducted independently by the University of Nottingham in accordance with rigorous academic research principles.

The survey was shared publicly by the research team, including on websites, mailing lists and social media. Research consultants, Censuswide, captured additional responses by targeting professionals working in roles linked to sustainability.

The survey received 248 responses. A breakdown of participants' seniority, sectors, location and organisational size is included in the Appendix. Survey responses were analysed using quantitative and qualitative data analysis techniques, including discourse analysis and data tagging of over 670 free text written responses. Where quotations are used, these illustrate representative opinions.

248

individual responses from professionals working in organisations of all sizes in the UK and beyond.

670

free text written responses.

Key findings explained

83%

of organisations consider ESG to be important.

59%

of participants said that their organisations have made operational changes to meet ESG goals in the last three years.

ESG in operation

83% of organisations consider ESG to be important. Less than 5% of organisations think that ESG is slightly important or not important.

Our survey found that the importance of ESG remained consistent between October 2024 and March 2025, indicating that UK organisations were not pulling back from ESG initiatives at this time. Indeed, one respondent acknowledged the core value of UK organisations proving the merits of ESG internationally:

"The company I work for has workplaces around the world. The success of initiatives in the UK has led to similar initiatives elsewhere."

59% of participants said that their organisations have made operational changes to meet ESG goals in the last three years (**Figure 1** on the right). Just one quarter had made no operational changes over this period, demonstrating the strength of commitment to ESG in most organisations surveyed.

These operational changes are illustrated in **Figure 2** below. The most frequent changes are shown in the largest text.

Has your organisation made any operational changes to achieve ESG goals in the last three years?

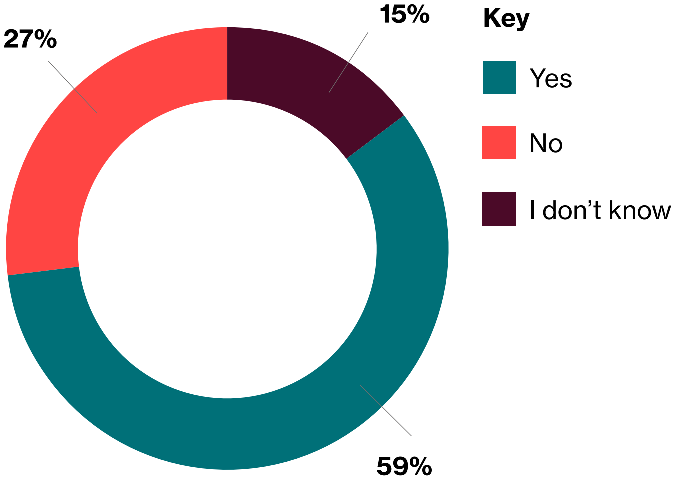


Figure 1. Participants whose organisations had made operational changes to meet ESG goals in the last three years.

Which operational changes has your organisation made?

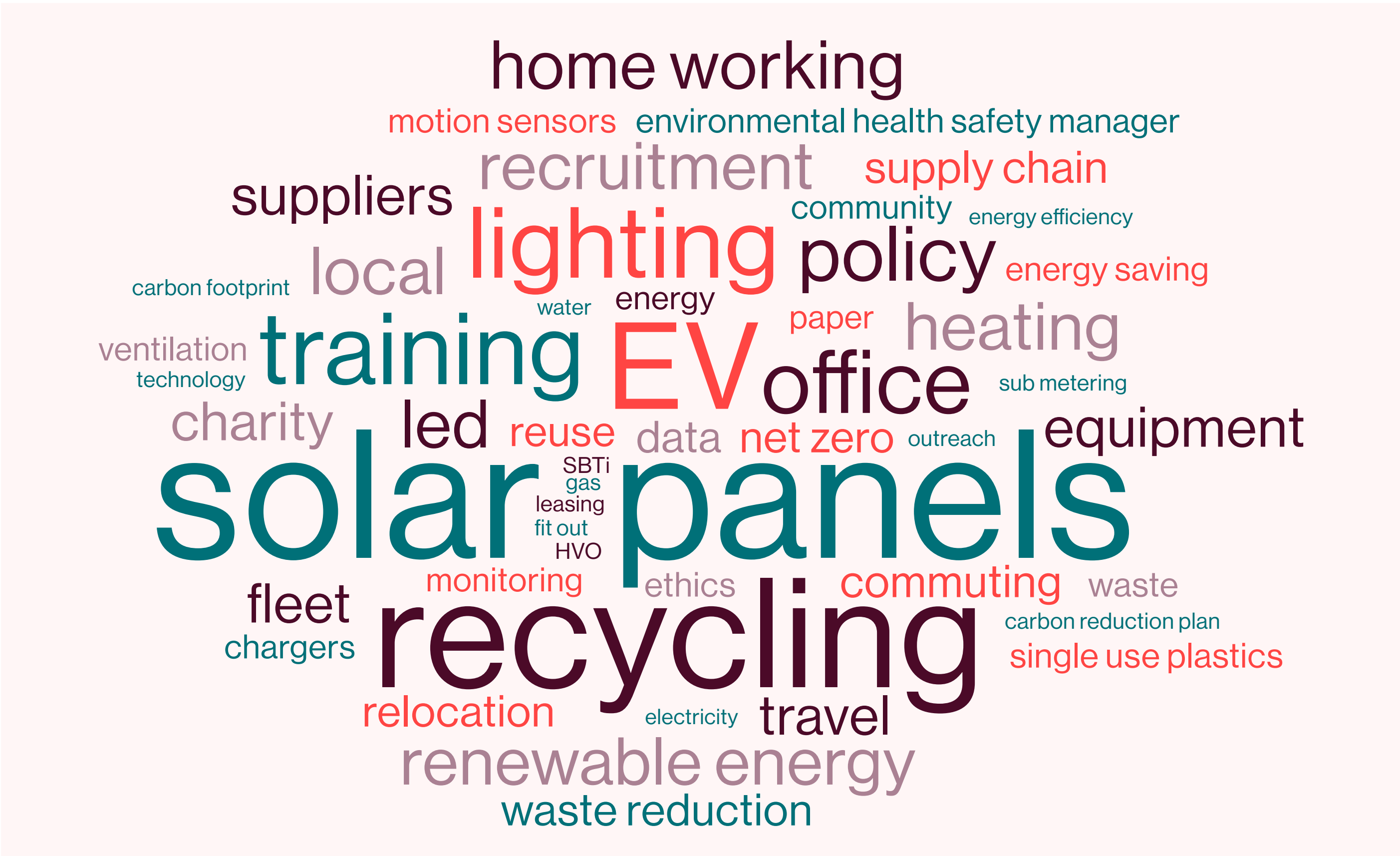


Figure 2. Operational changes that participants' organisations have made in the last three years.

Key themes and examples of successful operational changes reported include:

1

Saving energy in premises

For example, installing solar panels, motion sensors and LEDs, moving to smaller sites, refitting buildings for energy-use optimisation, changing heating, ventilation and air conditioning systems.

"[We] installed solar panels at our main warehouse, resulting in a 30% reduction in energy cost."

"[We've made] energy efficiency investments such as LED, motion sensitive lighting."

2

Recycling/ reusing

For example, recycling/reusing paper, waste, packaging, furniture and IT.

"No clothing, nor food, that is unsold goes to landfill. It's either recycled or sent to food banks."

"Recycling all mattresses with Textek to avoid landfill. Donating surplus furniture to charity partnerships."

3

Training

For example, training on reducing environmental impact as well as DEI issues.

"We hold an annual ESG month to inform and encourage all our staff on our low carbon ambitions. This is coupled with an Intranet site covering all of our sustainability and ESG projects and initiatives. We provide ESG and low carbon training via our e-learning platform."

"[We provide] mental health support and training."

4

Travel

For example, introducing electric vehicle fleets and chargers. Reducing business travel and increasing homeworking.

"Hybrid working pattern [is] reducing commuter emissions. Increased availability, and encouraged use, of video conferencing."

"Office relocation closer to train links."

5

Procurement and investment

For example, changing supply chains, conducting due diligence of new partners, changing energy provider to green/renewable.

"As an investor, we have integrated ESG due diligence – as standard – to our investment processes and undertaken a significant amount of training for our workforce to enable them to apply it in their day-to-day roles. We also now work with our landlords to understand how and when they will decarbonise our leased offices as part of our efforts to become a net zero business."

"We consider the environmental credentials of our suppliers and any products or materials that are purchased, and the shipping method and distance, and are committed to choosing ethical local suppliers wherever possible. We carry out pre-qualification checks on any major supplier or subcontractor and ask for environmental certification and policies to ensure that their views align with our own."

Almost one in three participants (31%) reported that making operational changes had given rise to difficulties. Those participants identify three principal challenges of operationalising ESG goals:

1 in 2

report that cost is a challenge:

"Balancing investment needs with shorter term profit motivations."

"CAPEX costs versus payback time."

"Cost is often a defining factor when decision making - for example, whether to install a battery to harvest excess solar power yielded."

"Other initiatives have not happened as there is not a wide understanding within the Exec team (based in the US) of the positive impact that ESG and increased DEI can have on the organisation (on the employees, future employees and therefore the bottom line)."

"Transitioning to electric vehicles is a big change, there is an uplift in cost, legal regulations, charging infrastructure considerations, route mileage considerations. There is also a large cultural shift required which requires internal engagement and training. HVO [Hydrotreated Vegetable Oil] deployment represents a significant cost uplift compared to diesel."

"Monitoring good governance is not a problem, we are in a regulated environment and therefore the business can see a clear need for it. Environment and social are more of an issue as it is harder to prove a direct correlation to the bottom line impact."

1 in 3

report difficulties balancing competing stakeholder priorities:

"Everyone seems to know this is what our business needs to do but some are more invested than others in different bits."

"[The] challenge is the time taken to collate ESG requirements for our PE [private equity] backers each month."

1 in 4

report that frameworks, regulations and legislation are confusing or onerous:

"There is too much 'complexity of regulations'."

"[There are] too many frameworks, it's difficult to know what's important sometimes".

"I've seen how difficult it can be to gather and report Scope 1, 2 and 3 data. Especially Scope 3 and its 15 categories. Our EH&S (Environment, Health and Safety) Manager has had to work so hard to get us to where we are today in order to have greater confidence in what we are publicly displaying and providing into tenders. Trying to eliminate the number of standards and frameworks and focus on ones that are statutory or relevant to our industry remains key."

"Harmonised reporting, appropriate to the size of the entity, would be a big help to measure our impact in a proportionate manner. We currently get asked to report similar data in different ways by different stakeholders... As a 1,000 colleague business [we] get pushed into categories with huge PLCs and then expected to report to a similar degree of detail."

Environmental reporting and governance requirements were considered particularly onerous and confusing. A number of participants expressed opinions that simplification of regulations and frameworks would improve their ability to understand their obligations and report data and progress in an accurate and proportionate manner. On the other hand, simplification of DEI and environmental law and policy could lead to concerns that some issues are overlooked.

Almost a third (65%) of participants' organisations had accessed specialist legal advice on ESG or DEI, including to help them navigate complexities with regulations and frameworks. However, a number of participants commented that they are more likely to rely on consultancy firms than law firms for advice.

Aside from considerations as to quality and effectiveness in addressing complex areas of law and regulation, organisations should consider how providing information to, or receiving advice or deliverables from, non-lawyers can be kept suitably confidential in the absence of legal privilege. This is especially significant in relation to risks from activist litigation and regulatory action regarding ESG legal requirements and good practice otherwise, including "greenwashing" allegations.

The areas in which participants' organisations had accessed advice were varied, as shown in **Figure 3**.

Has your organisation received specialised legal advice on ESG in relation to any of the following:

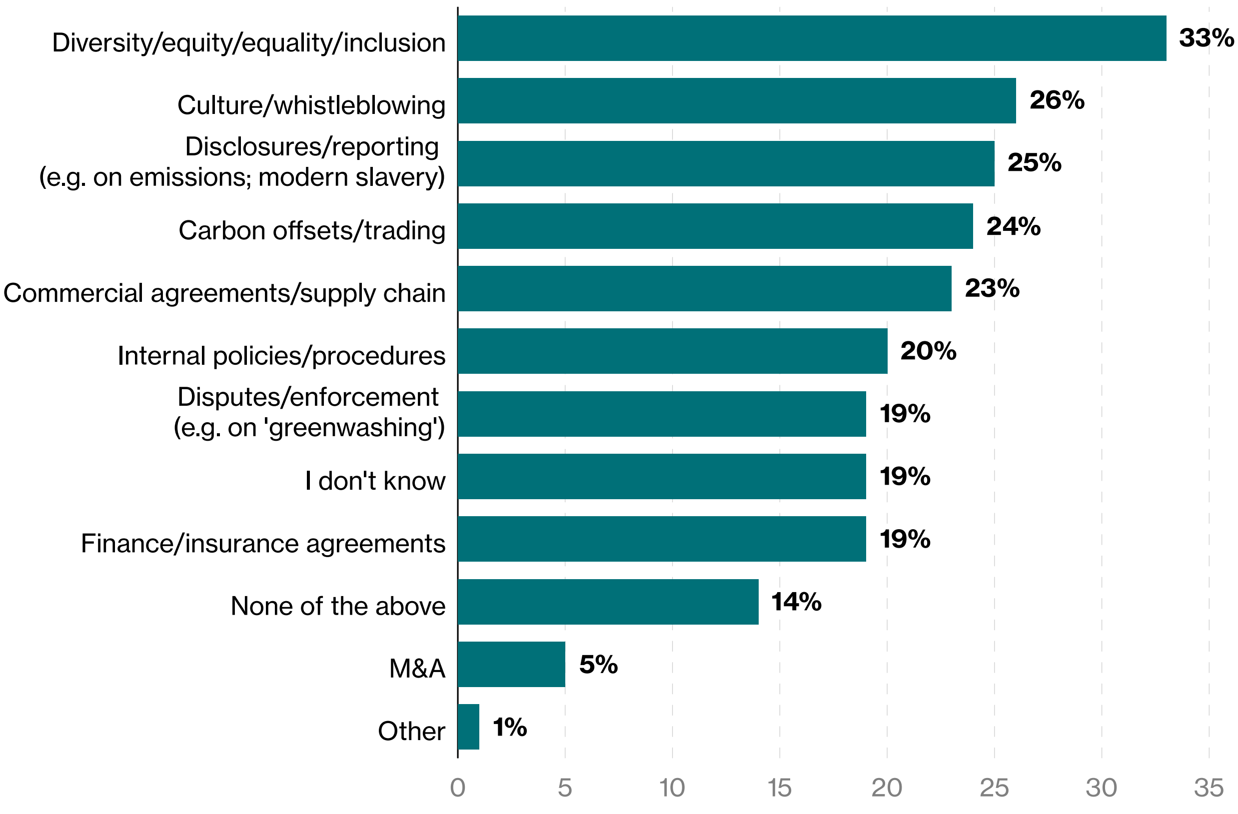


Figure 3. Areas of specialist legal advice accessed. Areas of specialist legal advice accessed.

People issues were slightly more prevalent, with organisations most likely to access advice on DEI (one in three, 33%) and cultural/whistleblowing (one in four, 26%). ESG implications of disputes, finance/insurance agreements and internal policy reviews were addressed by legal advice in around a fifth of organisations.

Despite the challenges of pursuing ESG, almost three quarters (72%) of respondents indicated that their organisations would be willing to risk income or profitability to improve their impact on the environment and society.

Only 15% of participants' organisations would not be prepared to risk income or profitability to meet their goals over the next three years.

The measures that these participants reported for their organisations are illustrated in **Figure 4**.

3 in 4

of respondents indicated that their organisations would be willing to risk income or profitability to improve their impact on the environment and society.

To meet its ESG-related goals in the next three years, would your organisation be willing to risk its income or profitability by doing any of the following?

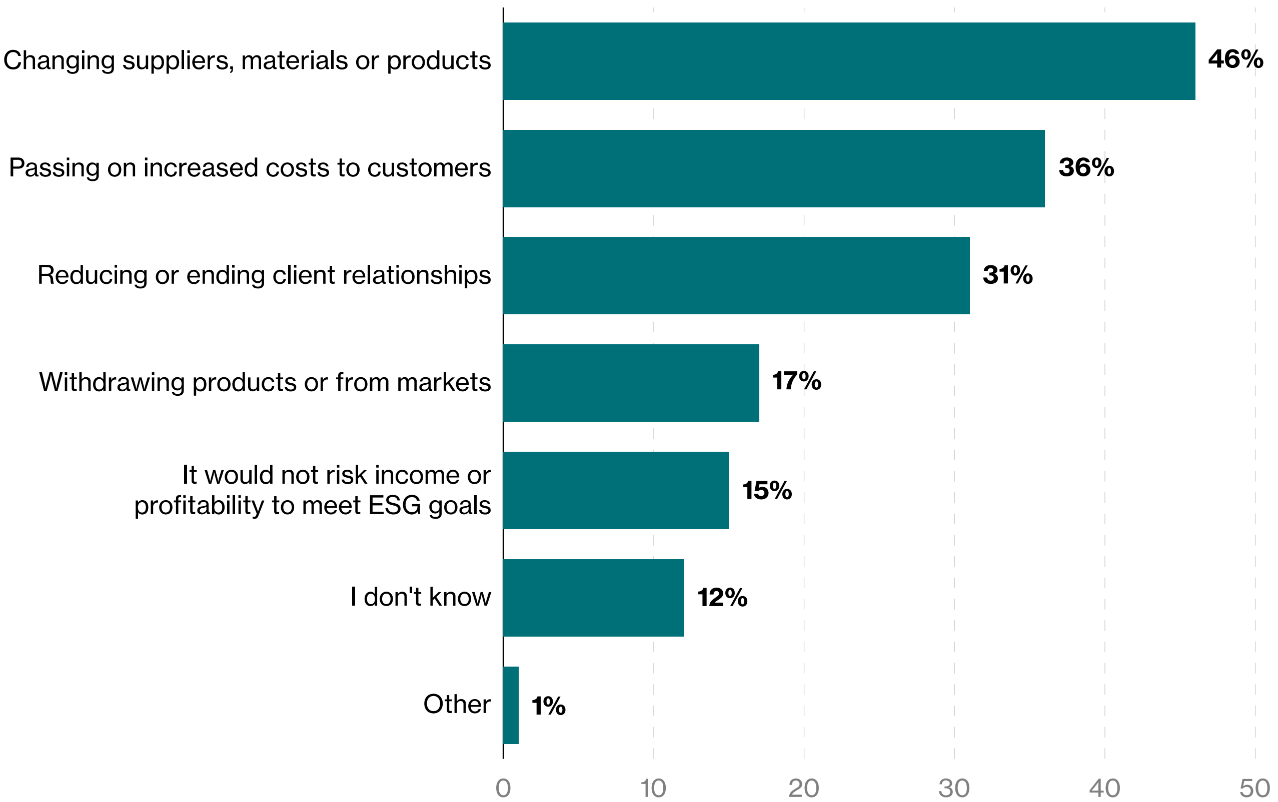


Figure 4. Measures that organisations would be prepared to take to meet ESG goals.

46%

said that, in order to meet ESG goals, they'd be prepared to change suppliers, materials or products.

51%

of respondents indicated that senior leaders were the main source of motivation for their organisations to pursue ESG.

Nearly half (46%) said that, in order to meet ESG goals, they'd be prepared to change suppliers, materials or products. Over one in three (36%) would be prepared to pass on increased costs to customers, and almost a third (31%) were prepared to end or reduce client relationships that didn't align with their ESG goals.

Just over half (51%) of respondents indicated that senior leaders were the main source of motivation for their organisations to pursue ESG. This reflects the pivotal role that champions play in driving initiatives. Investors, an organisational culture of "doing the right thing" and the need to attract talent each motivated around two in five participants' organisations.

Interestingly, only one in four respondents (25%) reported that their organisational approach was motivated by regulation, indicating that ESG is driven by merits far beyond mere compliance in most organisations.

In the next section of the report, we analyse how organisations communicate their ESG goals in light of those drivers to satisfy investors, adopt a positive culture, attract talent and comply with regulations.

Talking about ESG

There are many different terms available to talk about organisational impact on the environment and society, and how leaders ensure good governance. Yet, finding a term that is universally understood, and accurately represents what an organisation wants to convey, is a real challenge. Vague, inaccurate or incomprehensible language can obstruct effective communication.

When conducting this research, we started out using the term "ESG", which we explained to mean "environmental, social and governance matters".

The research team recognised this as a term that is widely used in sectors such as financial and professional services. However, feedback from our pilot testers told us that it was not widely understood or used consistently. Consequently, we took the approach of advertising the survey as investigating "sustainability" **and** "ESG", keen to gain insights about preferred terms to streamline and simplify our own language.

Our survey findings show that a range of language is used to talk about impact on the environment and society.

> Vague, inaccurate or incomprehensible language can obstruct effective communication.

There is no universal term used to address environmental, social and governance matters. All organisations in the study use multiple terms. Each of these terms has a different meaning and may, at least partially, reflect differences in the strategies and goals of each organisation and sector.

Which terms are used in your organisation?

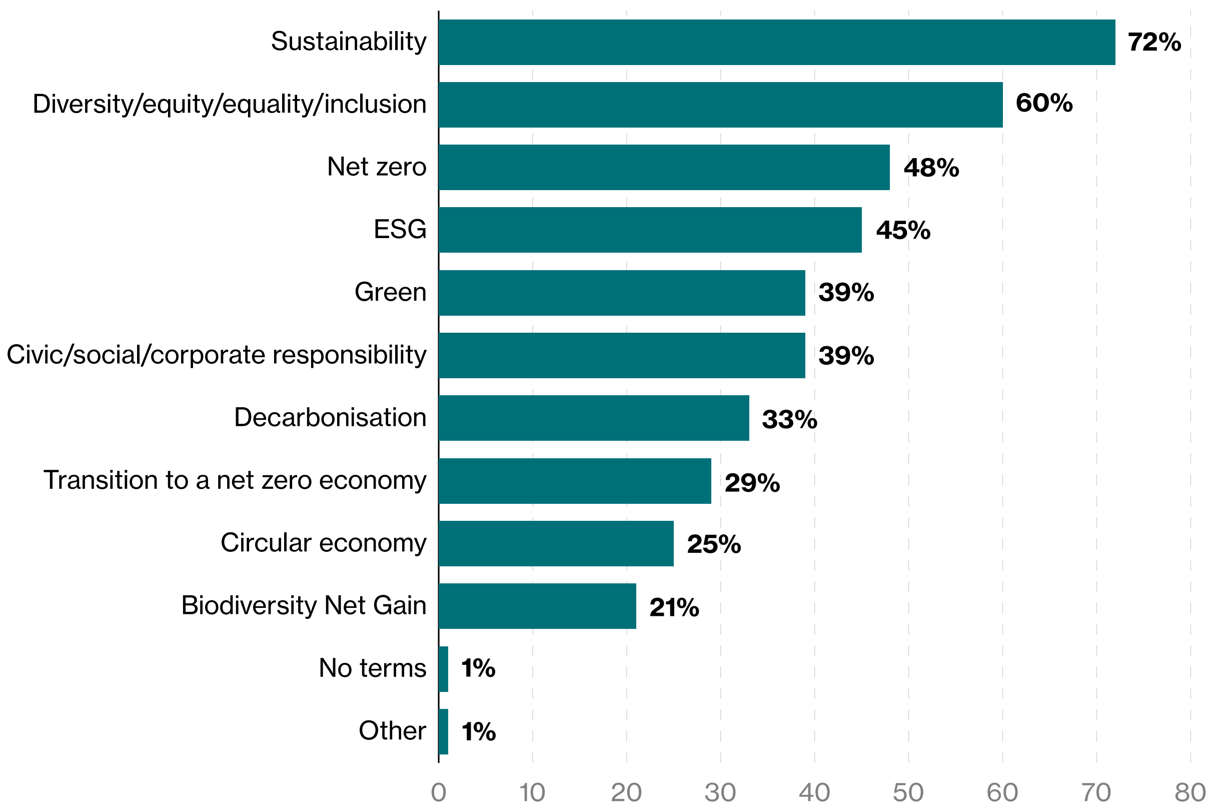


Figure 5. Terms in use in organisations.

"Circular economy" was, for example, prevalent in construction but not administration and support services. "Decarbonisation" was prevalent in real estate and construction, but not retail. Just 1% of respondents reported not using any terms to refer to these matters.

While "net zero" was in use in most organisations in construction, real estate and professional, scientific and technical activities, it was less prevalent in retail, health, manufacturing, and administration and support services.

These figures are drawn from a relatively small sector sample size, so must be treated with caution as indicative of sector differences. However, they suggest that language used to talk about environmental matters varies by sector and the activities that organisations carry out.

We also note that when participants discussed operational changes relating to ESG and sustainability, only one in six referred to social measures. This indicates that these terms are most strongly associated with environmental matters.

"Sustainability" was the most frequent term; it was used in over seven in ten (72%) participants' organisations. There were differences in usage across sectors. It was most prevalent in agriculture, construction, information and communication, professional, scientific and technical activities, public administration, and education.

While some participants commented that "sustainability" includes social sustainability, this was not consistently apparent. Responses indicate that it is understood to refer chiefly to environmental sustainability.

45% of participants' organisations use "ESG". Usage of the term "ESG" varied considerably across sectors. It was most prevalent in real estate, professional, scientific and technology activities and other services sectors. It was less prevalent in retail, administration, public administration, education and health sectors. Again, this points to sector-specific trends in language use.

72%

of participants' organisations use "sustainability".

45%

of participants' organisations use "ESG".

The survey found that participants perceive a number of problems with the term "ESG". These were as follows:

1
It's an abbreviation that is not widely understood, particularly in the public sector.

"I had to research what ESG stood for, I don't believe it is currently a widely recognised term."

"ESG is too 'obscure'. A lot of people probably cannot even tell what the abbreviations mean."

"No one needs another acronym people don't understand."

"ESG hasn't really taken off in public bodies that I've seen."

2
There is a perception by some people that the term has become politicised.

"ESG has become politically charged."

"ESG has become a little tarnished, especially in the US."

"There is not a wide understanding within the Exec team (based in the USA) of the positive impact that ESG and increased DEI can have on the organisation (on the employees, future employees and therefore the bottom line)."

3
ESG is linked by some to regulatory compliance and lacks the human connection needed for real impact.

"I see ESG as a term focused on meeting regulatory standards and the law, and on measurable things. I feel that is inadequate for the challenges ahead."

"ESG is far too removed and cold for people to engage and take action."

"ESG is more binary and lacks the broader consideration of financial sustainability and long-term strategy."

However, a third of respondents were unsure about whether there is a better term. Another one in four (23%) of participants did feel that "ESG" should be retired. The most common preference was for "sustainability" (**Figure 6**). However, these are the preferences of a small number of participants and cannot be viewed as conclusive evidence for a change to "sustainability" terminology.

The preference for "sustainability" was for several reasons, including the following:

"[it] encompasses the 'why' behind the term ESG."

"[it] can cover all of the natural environment, man-made resources and people."

"[it includes] a long-term focus."

"[it is] already widely used and easily understood."

The use of the word "sustainability" in English has almost quadrupled between 2017 and 2025.[1] It is currently the most commonly used term for environmental and social impact in worldwide English texts, followed by "CSR" (corporate social responsibility). Although, in British English, these frequencies are reversed and "CSR" is slightly more frequent.[2] These preferences were not reflected in our data.

39% of respondents' organisations use a version of the term "civic" or "corporate" "social responsibility".

Our data indicates that "CSR" is more prevalent in some sectors than others. "CSR" was used almost twice as frequently organisations operating in transport, real estate, public administration, and accommodation and food services than in information and communication and other services.

Participants commented that CSR has a close link to impact. As one respondent explained:

"[I] prefer terms such as CSR which, for me, have more emphasis on values-based actions, and making a positive impact by doing more that the minimum e.g. well-being, satisfaction, bio-diversity, a good actor in the local community."

35 different variations of the term were reported to represent this principle, including: "civic", "impact", "business", "value" and "engagement". Language choices reflect organisational values and priorities and therefore have the potential to closely match organisational goals.

1 Oxford English Dictionaries (2025). Frequency: Sustainability.

2 Use of terms 1922-2022. Source: Google Ngram Viewer.

Preferred terms to replace "ESG"

Figure 6. Word cloud of preferred terms to replace "ESG".


50
Charger
5
Welcome!

Accuracy in credentials and language

One in four participants had encountered examples of ESG credentials being stated inaccurately.

Inaccurate credentials included "greenwashing" and understating or overstating organisational commitments. A quarter of participants commented that they were aware of inaccurate measuring and reporting, vague language and unsubstantiated claims made by competitors and other organisations.

Participants commented that they were aware of organisations relying on inaccurate data:

"[There are] unscientific and non-standard methods of assessing emissions, particularly in supply chain."

"The use of AI and supply chain mapping has resulted in examples of inaccurate reporting of ESG credentials. More broadly, we have noticed that companies that adopt a non-scientific approach to carbon reporting can state inaccurate emissions data. This is particularly noticeable for Scope 3."

"Proxies and assumptions [are] used instead of real primary data."

"Some organisations overstate their commitment to diversity by focusing on superficial metrics (e.g. diversity in marketing materials) without addressing systemic issues or making substantive changes to recruitment and promotion practices."

In some instances, inaccuracy was attributed to the difficulties of making accurate assessments:

"Scope 1, 2 and 3 GHG [greenhouse gases] are incredibly complicated to accurately measure if people aren't set up correctly and with a solid understanding, so we have seen people's stats jump very high or very low rather than electing to not publish."

This suggests that support in making assessments, as well as closer scrutiny of organisations' claims is required. Where accurate data is available, this can be powerful evidence to support organisational ESG credentials and claims statements.

Participants also reported that environmental terminology was, at times, used inaccurately, leading to organisations seeming to overstate their credentials. Participants reported an "overuse of terminology in the wrong context".

For example:

"'Sustainability' is an overused term, not always well understood in relation to farming and forestry. It is easy to greenwash."

"Food industry... sees many different interpretations and claims for taking sustainable and regenerative actions. There is competing science, approaches and influential players that promote their own perspectives and paths favourable to their own systems."

"Carbon neutral as a term is often misused."

The data suggests that organisations need to make sure that they are choosing language carefully to reflect their commitments. Broad terms like "sustainable" seem to be particularly open to a variety of interpretations. Organisations should consider which terms accurately reflect their focus and be transparent about the evidence underlying their claims.

39%

of respondents' organisations use a version of the term "civic" or "corporate" "social responsibility".

1 in 4

participants had encountered examples of ESG credentials being stated inaccurately.

Diversity, equity and inclusion (DEI)

85%

of participants report that DEI was either very important or important to their organisation.

60%

of participants' organisations use a variation of "diversity, equity and inclusion".

Given evidence that many people associate ESG and sustainability with chiefly environmental issues, our research explored social DEI specifically. A variation of "diversity, equity and inclusion" was used in 60% of participants' organisations. There was variation in the prevalence of DEI terms between sectors. A form of the term "DEI" was used in almost all organisations that deliver administration and support services but less than half in manufacturing and accommodation and food services organisations. Further research would be required to test this pattern and to examine whether this is because those sectors include social inclusion under other terms, or whether this is a lower priority than environmental responsibility.

Across all sectors, 26 different variations of DEI terminology were reported. These included abbreviations and different word orders, omitting one or two term(s), using "equality" instead of "equity" or both terms, and adding additional words like "belonging", "justice" and "fairness". Participants reported that they adapted the term to fit with their organisational culture and values.

How important is DEI for your organisation as a whole?

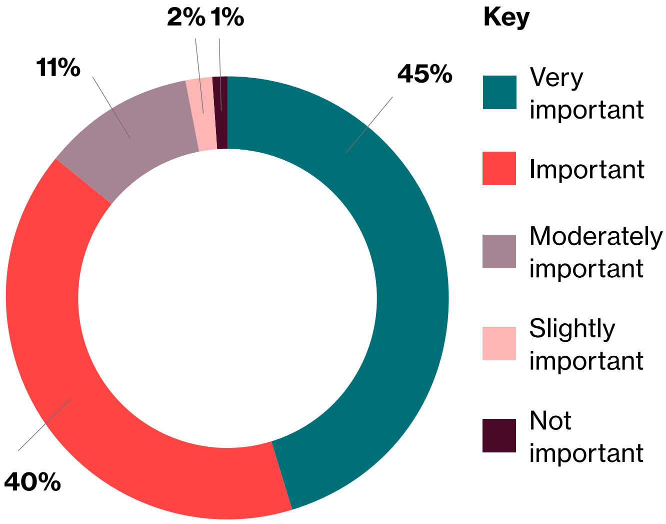


Figure 7. The importance of DEI to organisations.

Only 3% of respondents reported that DEI is slightly or not at all important. There was very little change in the data collected before and after Trump's measures abandoning DEI initiatives in the US. This indicates that UK organisations could either not be following suit, or are lagging behind in a retreat from DEI. Two in five participants (42%) expected DEI to grow in importance over the next three years.

"DEI" is a broad term that can include different issues for different organisations. **Figure 8** below shows the focal areas adopted in participants' organisations.

Only 4% of participants reported that their organisation had no DEI initiatives. Race and ethnicity were key aspects of DEI approaches in more than three in five organisations (64%). Again, there were differences across sectors. For example, race and ethnicity were key aspects of DEI in most organisations in the education sector but less so in the transport sector. While socioeconomic background was key in just under two in five organisations overall (38%), its usage varied. For example, while it was prevalent in education, it received less attention in construction. As noted above, sector sample sizes are small and so such patterns are only indicative of differences.

Socioeconomic background is not a Protected Characteristic under the Equality Act 2010. However, it was slightly more frequently addressed than caring responsibilities. Carers are protected from discrimination under equalities legislation because of their association with disability. However, organisations such as Carers UK argue that caring is not specifically mentioned in legislation and protective provisions are generally poorly understood.[3]

3 See Carers UK (2024). Making caring the 10th Protected Characteristic.

Which of the following are key aspects of your organisation's DEI initiatives?

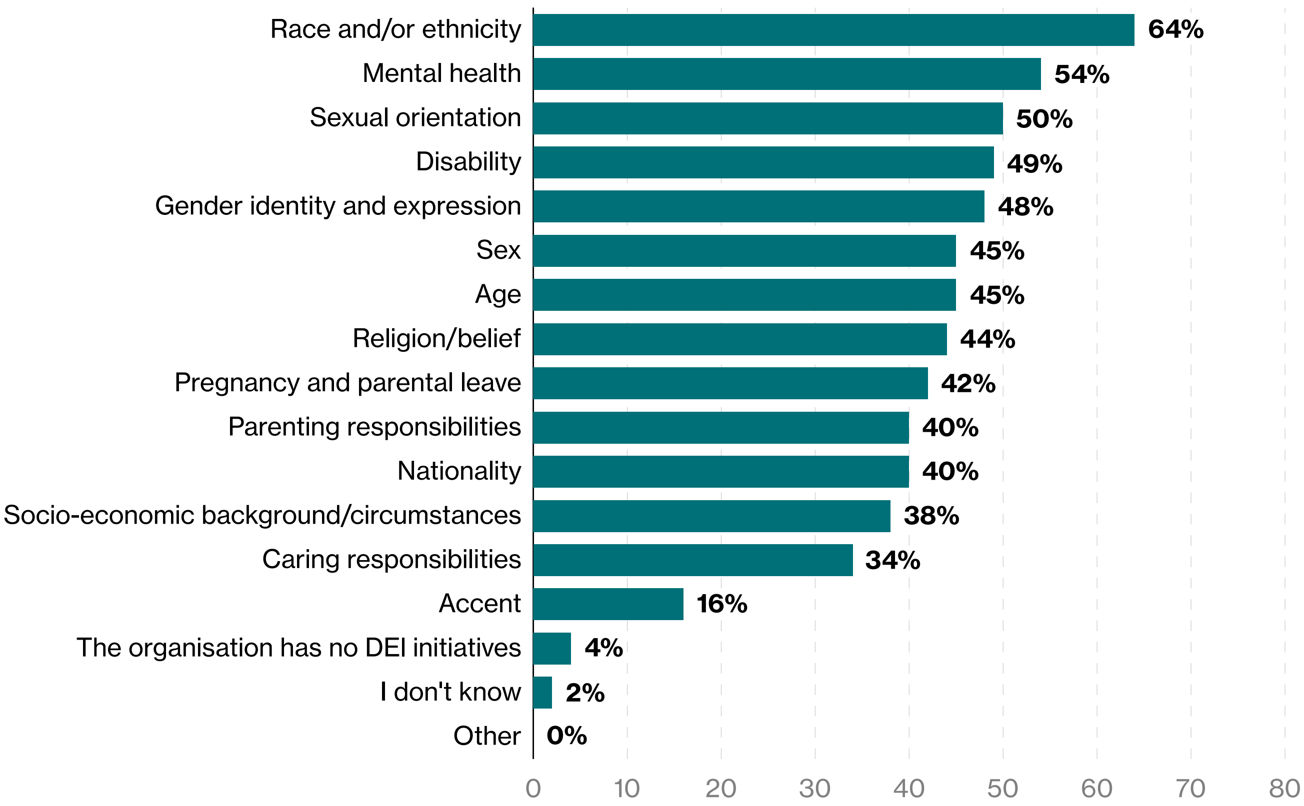


Figure 8. Key aspects of organisational approaches to DEI.

Our survey suggests that organisations tend to focus DEI initiatives on Protected Characteristics, and mental health, which can be a disability and so a Protected Characteristic.

Key areas of success in DEI identified by participants tended to focus on recruitment and mentoring or coaching. For example:

"Following the development and implementation of our inclusive recruitment guidelines, we have seen a significant improvement in the level of diversity across the firm. Hiring managers are more aware of the good inclusive practices."

"Inclusive recruitment policies have led to a big increase in female engineers. Our inclusive initiatives include representatives at all major Pride events, which in turn has led to an increase in LGBTQI+ staff."

"One of our key DEI initiatives has been to bring in executive and career coaches from diverse backgrounds, including age, disability, gender identity, and race. The goal was to ensure that our pool of coaches reflects the diversity of the clients we serve, providing relatable role models and perspectives that resonate with a wide range of experiences."

Interestingly, almost half of participants (48%) said that their organisations would be prepared to risk income and profitability by changing recruitment practices to help them meet ESG goals. Only around a third (34%) would change reward provisions or disciplinary procedures.

Challenges of carrying out DEI activities tended to focus on a lack of data, cost and struggles to achieve greater diversity in recruitment.

For example:

"I think the key challenge/gap is about gathering meaningful data to highlight issues and ongoing tracking (beyond gender pay gap reporting etc)."

"An area that has been difficult for us is affording equivalent and additional paternity benefits."

"[Our] attempt to increase [the] number of applications from non-white backgrounds was unsuccessful, but we will continue to try."

"We are currently struggling to recruit women."

Organisations could benefit from more support with data collection and designing effective initiatives. It is clear that DEI activities still tend to focus around diversity in recruitment more so than inclusion experiences of people working within organisations.

48%

of participants said that their organisations would be prepared to risk income and profitability by changing recruitment practices to help them meet ESG goals.

Looking forwards

47%

of respondents' organisations rely on in-person events to stay up to date on ESG and DEI.

ESG and DEI include complex and changing obligations and priorities. Almost all (95%) respondents indicated that their organisations took steps to stay up to date. Interestingly, person-focused activities were more often used than passive communications such as newsletters.

As **Figure 9** shows, almost half of participants (47%) said that their organisations rely on conferences and in-person events.

Just over two in five participants' organisations (43%) rely on networks and professional advisers to keep them abreast of developments in ESG.

Training was cited by around one in three respondents (36%). Other participants mentioned that they rely on public events and politicians to communicate about change.

The data shows the value of human interactions in sharing ESG knowledge and learning about developments.

How does your organisation stay up to date on ESG matters?

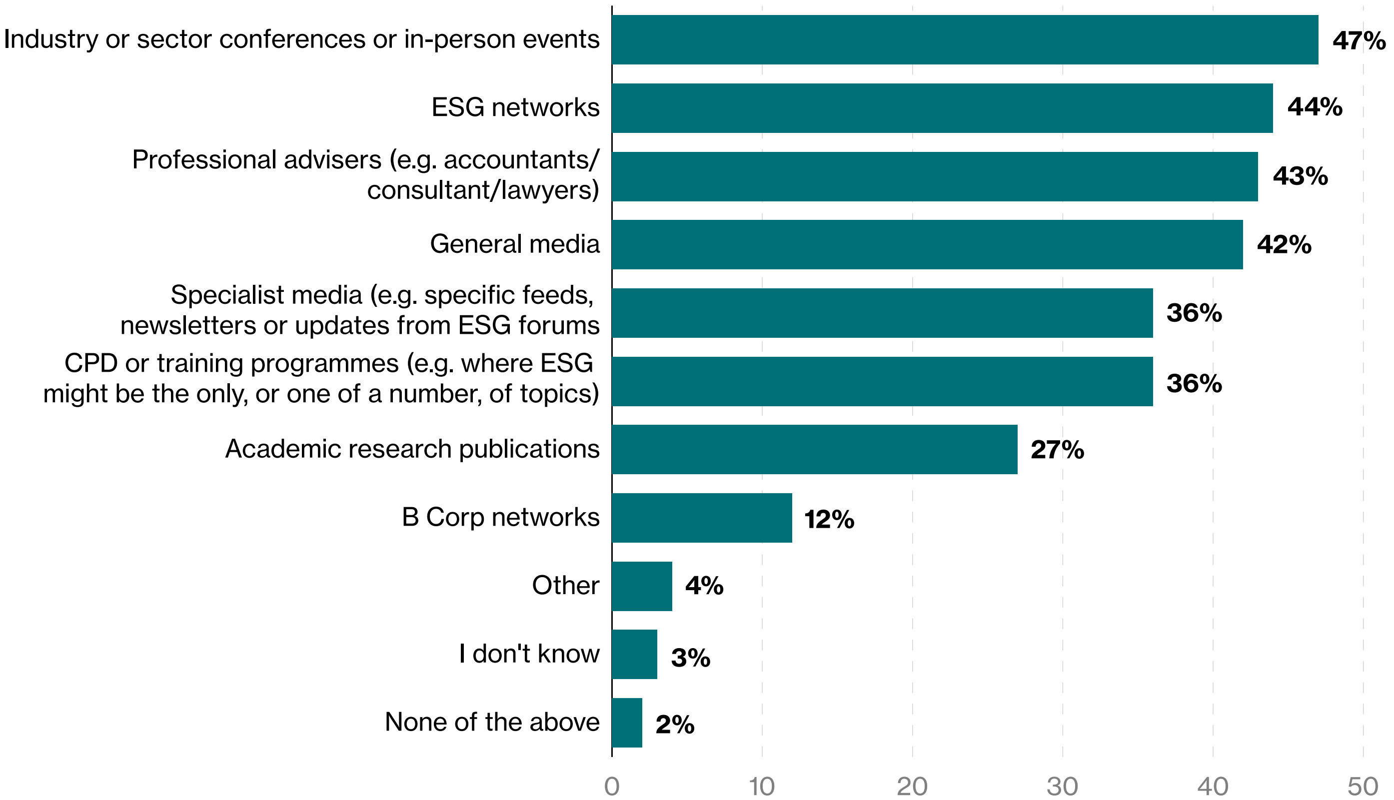


Figure 9. Methods of staying up to date with ESG.

54%

of respondents anticipate that energy efficiency will grow in importance over the next three years.

The survey suggests that more than half of participants (54%) anticipate that energy efficiency will grow in importance over the next three years.

This is perhaps unsurprising given energy price rises and pressure on organisations to control spiralling costs (saving energy benefits the environment and bottom line).

Some of the other areas cited in **Figure 10** likely reflect the operations and interests of different organisations. Changes such as land usage are more likely to affect agricultural and construction sectors than education and professional services, for example.

What aspects of ESG do you think will become more important in the next three years?

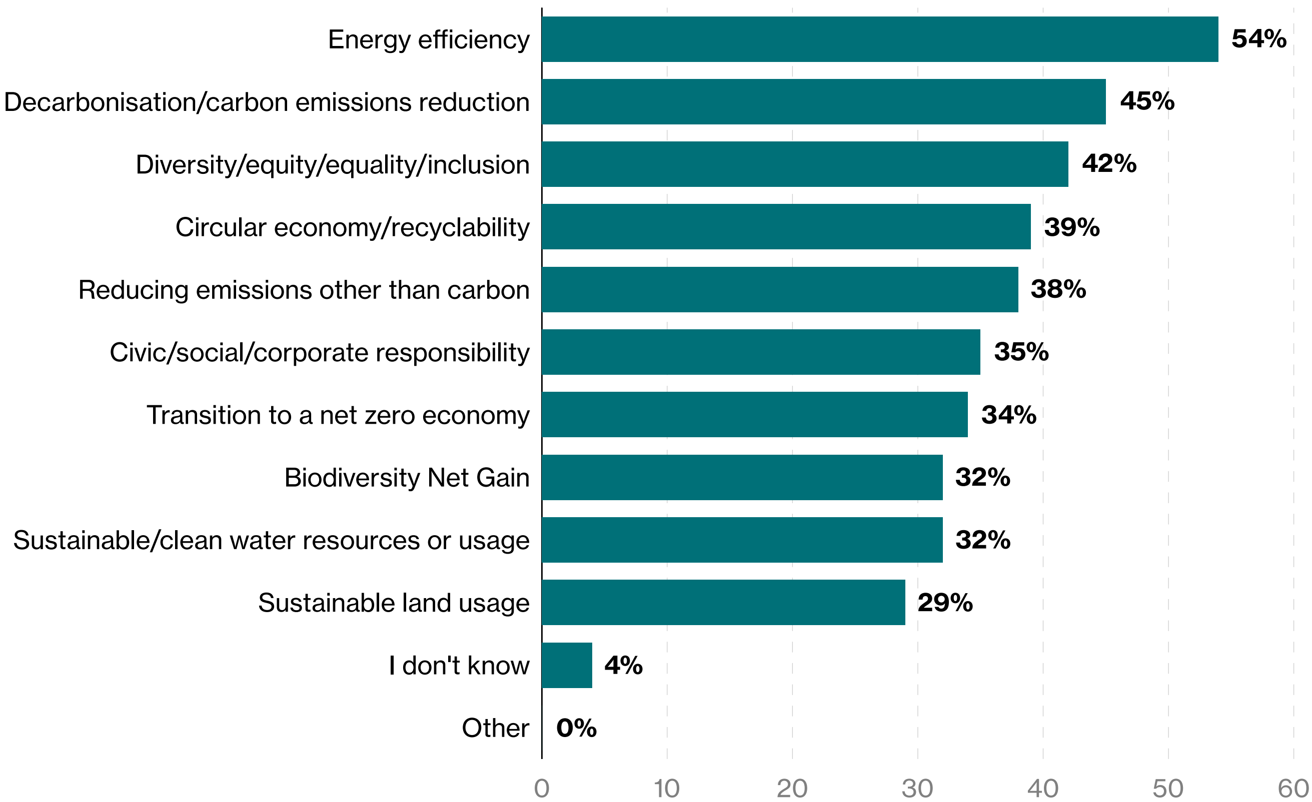


Figure 10. Aspects of ESG growing in importance in the next three years.

Finally, it is clear that a drive to pursue ESG, including DEI, persists in many UK organisations. Indeed, some respondents explicitly stated their commitment as part of the research including:

"We are committed to actively managing our impact on the environment and society, and ensuring strong governance throughout our operations."

"We set ourselves internal targets that are easy to understand and adopt by our team and wider supply chain workforce as well as external targets and measures via EcoVadis. The latter ensures that we are moderated and continue to push ourselves each year. As a business we have always taken the approach of making ESG realistic and achievable for us, adopting objectives that we can impact and work towards – rather than pie in the sky pledges that we will fail against."

Participants also noted that success is difficult to achieve in isolation, commenting that they saw collaboration across organisations as key:

"As a very small entity, it is difficult for us to assess how much of a difference we can make, but I think [that by] forming groups amongst companies and sharing local responsibility we can make more of a concerted effort."

"We believe that whole systems need to come together to solve these challenges. We believe it might be impossible for organisations to do on their own."

This research report reflects the research team's goal to share good practice and successes and to raise awareness of challenges so that organisations can come together to tackle problems.

Clear and accurate language underpins efforts to achieve transparency and credibility in ESG communications and reporting.

Final words

The report underscores a robust commitment to ESG and DEI across various sectors, advocating for strategic communication to effectively convey organisational priorities and commitments.

It highlights organisational actions to further their goals, many of which are innovative and have resulted in considerable successes, including cost savings and improving the lives of their people and the wider community. However, social activities are not consistently included or prioritised within the terms “sustainability” and “ESG” and it is important for organisations to define what these terms mean for them.

Pursuing ESG activities can be difficult, including challenges balancing competing priorities and stakeholder interests and navigating complex frameworks. Organisations may need more support to understand regulations and to decide how to collect and use data to identify and communicate their impact and approach. Vague language can contribute to inaccurate claims around achievements. Our recommendations focus on enhancing clarity and impact through precise language use and audience engagement.

Recommendations

Based on the above findings, it's clear that no single term covers all aspects and interpretations of organisational approaches to social and environmental issues.

Terminology is closely aligned with sector norms and organisational values and priorities. Retaining this link to organisational goals through tailored language is key to maintaining authenticity in messaging.[4] However, the sheer range of terms and interpretations in use creates problems of accuracy and credibility.

Organisations can mitigate some of these issues by following these recommendations:

1

Use accurate and specific language

Consider your organisation's approach and goals. Specific terms like "decarbonisation" or "net zero" might be more appropriate if your organisation has a narrower focus on environmental issues. If your organisation's approach is broader, then the umbrellas of "sustainability", "CSR" or "ESG" might be more appropriate. Accurate terms will help your organisation to avoid vague or overly broad statements that can lead to misunderstandings.

2

Adopt clear definitions and explanations

Terms are often interpreted differently. Be transparent about the evidence supporting your claims and what you mean when using terminology. "Sustainability", while widely used and understood, has multiple interpretations and remains closely linked to environmental issues for some audiences. If your organisation interprets it to include social sustainability, be explicit about this in your messaging. Consider whether your organisation currently addresses whether its methodologies or culture of governance are themselves sustainable.

For instance, do the organisation's employees have the "psychological safety" to present challenges during decision-making processes, avoiding a "herd mentality"? Does the organisation have sustainable long-term growth (as opposed to, for instance, short-term rewards for certain stakeholders)? "ESG" can suggest a "bare bones" approach to meeting regulatory and legislative responsibilities. If your organisation's approach extends beyond this, then be clear about it.

4 See also, Environmental, Social and Governance Center (2023). How companies can address ESG backlash.

3

Avoid undefined abbreviations

Abbreviations can be hard to remember and decode. The meaning of “ESG” and “CSR” is not obvious and, if used, abbreviations should be defined the first time they’re mentioned in a communication.

4

Know your audience

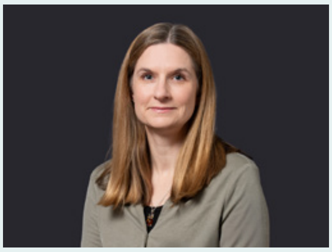
While professional services audiences might be familiar with “ESG”, employees and people working in the public sector, retail, education and health might not. Either use a more familiar term like “sustainability” in these contexts or explain what you mean. This is particularly important for organisations communicating with customer and public audiences, and professionals working across sectors.

5

Evidence your claims

Data and evidence bring authenticity and credibility to ESG communications. Develop robust data collection and analysis strategies and give specific figures and examples to back up your ESG claims. Also, be clear and transparent about any weaknesses or potential for improvement in the data currently being collected and used by your organisation. This might be an area where your organisation needs to seek expert advice.

About the authors and project leads



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Victoria is a specialist in professional communication and inclusive language. She is a non-practising solicitor and has a Certificate in Business Sustainability Management from University of Cambridge's Institute for Sustainability Leadership.

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Professor Louise Mullany is Professor of Sociolinguistics at the University of Nottingham. She is a professional communication researcher and consultant, specialising in equality, diversity and inclusion.

Louise is Founder and Director of Linguistic Profiling for Professionals, an innovative research-based consultancy and business unit based in the Centre for Research in Applied Linguistics at the University of Nottingham.

Louise has conducted extensive research on professional communication with a range of national and multinational organisations for the past 25 years.

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Jeremy Irving is a Partner at Browne Jacobson and Head of the Financial Services Regulatory team. He has worked extensively on governance and risk management issues in financial services and insurance markets, especially in relation to Prudential Regulation Authority and Financial Conduct Authority rules and initiatives as to "ESG".

Key areas of focus have been board effectiveness reviews and corporate reporting as to diversity and climate-related financial disclosures. He led on the regulatory aspects of the 'Transforming EDI Practices in UK Insurance' study by Browne Jacobson and the University of Nottingham, working with Dr Howard and Professor Mullany.

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Appendix: About the respondents' organisations

In which sector(s) does your organisation operate?

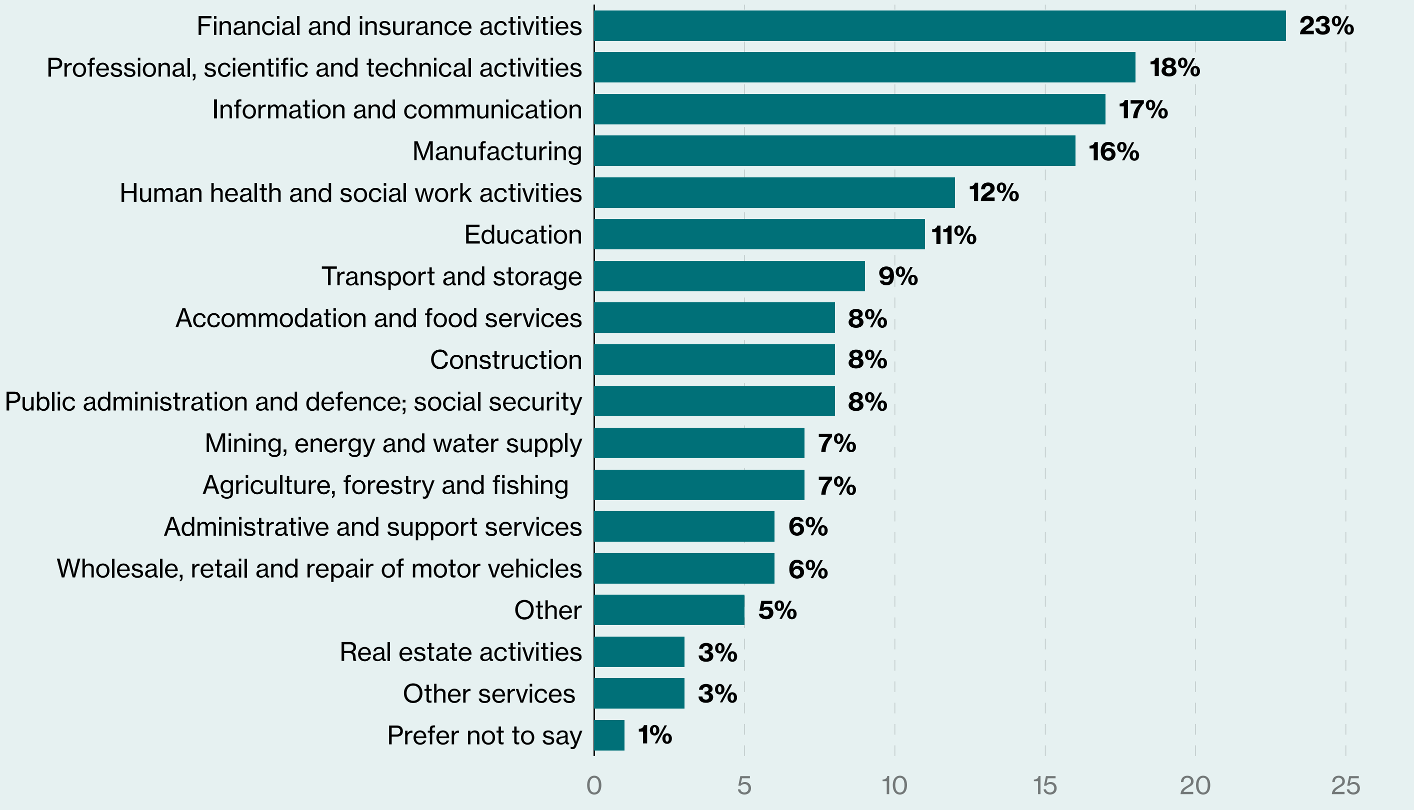

Figure 11. Sectors in which the respondents' organisations operate.

How many employees does your organisation have?

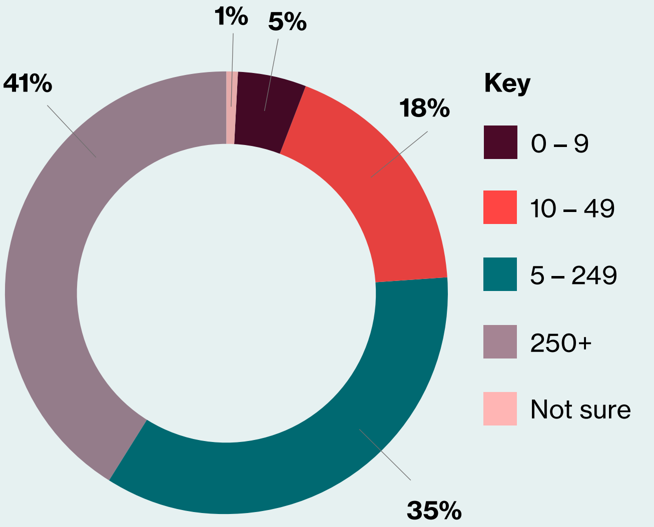

Figure 12. Number of employees in respondents' organisations.

In which location are you based?

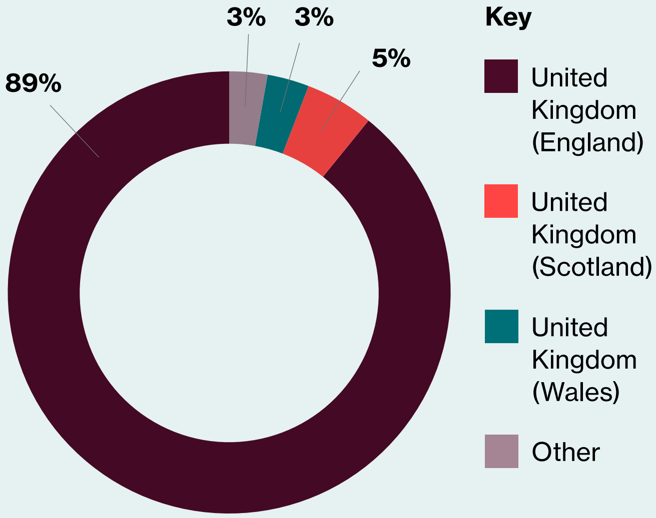

Figure 13. Location of respondents' organisations.

Which of the following best describes your role?

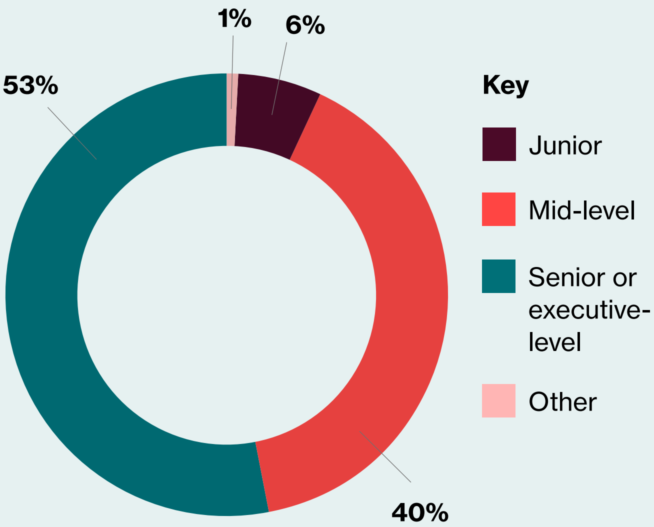

Figure 14. Respondents' roles.

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