



BEACON GAINER

ORGANISED WEALTH FOR YOUR WELLBEING

ETHICAL AND SOCIAL IMPACT AT BEACON GAINER

At Beacon Gainer, we pride ourselves on working with independent advisors who are thoughtfully sourced, and driven by integrity, fairness and continuous improvement. Our specialists represent companies with both a history and record of excellent care of their clients, and notable corporate social responsibility principles and purpose.

We give our clients a simple way to choose advisors who meet environmental, social and governance principles. Providers with clear commitments to climate goals for example, or who demonstrate a strong intention to improving their impact in a community.

Our in-house advisory service specialises in ethical and social impact for businesses, individuals and families. Our Founder has experience in social investment and recognition as an award winning social impact entrepreneur, and ethics is never a footnote, afterthought or tick box initiative for us.

Our Ethical & Social Impact Business Manager has experience consulting on ESG issues for a wide range of businesses; from household name corporations like MTV and BBC3, to start ups and charities. This expertise, coupled with our understanding of client wants and needs, enables us to provide a comprehensive report on your CSR status and make recommendations to improve it.

These recommendations can be tailored to suit your budget and time resources. Even if you don't have a large budget to put towards making changes, there is still plenty that can be done. Using our concise and straightforward reporting methods, we can ease your way towards improving your CSR.



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WHY IS CSR SO IMPORTANT?

Of course, every business has a moral obligation to strive for good CSR. From leaving a minimal carbon footprint, to making sure your employees are happy and comfortable, it is clear why ethics matter from a principled standpoint. But there is a business case for it too.

Many research projects have identified a causal link between 'doing well and doing good'. One study in particular, Project ROI, showed that companies with high level CSR showed significantly higher returns on investments and, on average, they increased their market values by up to 9% more than those with poor CSR. Price premiums in high-level CSR firms also increased by up to 20%.

Many investment funds, including Barclays' multi impact growth fund, now offer support and access to significant venture capital for those who incorporate ESG considerations into their business. COVID-19 has accelerated this movement, as customers become more of aware of ethical and sustainable consumerism. People are more interested than ever before in the ethics of what they spend money on.

Based on the ever-changing sea of ethics guidelines, we believe that the ESG activities that we now consider to be a kind but unnecessary bonus for a business to do, will become mandated by law in time. And the early adopters who engage in these activities now are setting themselves apart by demonstrating initiative and compassion.

A good bill of CSR isn't just attractive to customers – a University of Chicago study from September 2019 tried to find out which is more valuable to employees: money or CSR. The results showed that when businesses demonstrated commitment to CSR, they saw an average of 25% rise in job applicants. When the same companies put out job listings with no mention of CSR, they had to increase wages by over a third to see the same number of applicants.

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HOW OUR SYSTEM WORKS

We have created a unique system for reporting ESG that is based on combinations of other reporting systems used by B Corporation and MSCI, and focuses specifically on issues that crop up in the professional service industry.

Our reporting method is slightly different than others for a few reasons.

Firstly, we only measure factors that are not influenced by law. We believe that ESG standards should be based on criteria that are **voluntary** - not things are industry standards or legal requirements.

For example, many reporting methods list good GDPR as an ESG factor, when in fact keeping on top of GDPR is a legal requirement and should not be considered an ethical standard. We instead try to measure the extent to which a company is willing to go **above and beyond** what is required of them.

Secondly, unlike many systems we don't only measure large-scale tangible activities; we also factor in **intent**. We believe that it is important to recognise the role that intent plays in ethics and social impact. It is common for businesses to do ethical things for unethical reasons - for example tokenism and virtue signalling. Similarly, many smaller businesses value ESG but cannot afford to have a dedicated budget for it. That's why we emphasise ESG activities that require little to no budget or time to implement.

To compile a report, we gather information from a combination of publicly available material found online, and a survey that is filled in by the firm itself. From there, we calculate a final ESG rating of bronze, silver or gold:

Bronze businesses have made a basic commitment to improve their ESG, but don't have the time or money to implement large scale changes. Businesses must demonstrate a genuine intent to improve their CSR.

Silver businesses have made a serious effort to improve their ESG, through policies and implemented changes that have had some level of social impact on employees, consumers and/or the local community.

Gold is the highest standard of ESG Beacon Gainer recognises, and is awarded to businesses that put ethics at the heart of everything they do, with a mission and ethos revolving around social impact. Businesses that make important decisions with ESG in mind, and track their social impact through specific metrics and KPIs.
