

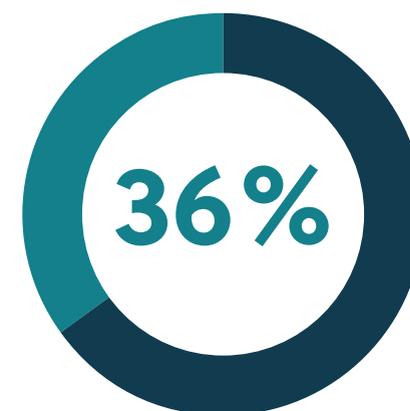
## The role of internal audit in advancing ESG maturity

Interestingly, while the pressure for companies to provide more ESG disclosure and reporting grows, in many cases internal audit departments are slow to address this escalating area of risk. A poll of 400 internal auditors across Canada in February 2021 revealed the following results related to the current state of ESG maturity within their companies.



**“My organization frames sustainability in the context of corporate responsibility or corporate social responsibility.”**

This suggests a lag in the evolution to tangible, target-based ESG approaches.



**“My organization has inventoried key stakeholders.”**

This reveals a significant gap in stakeholder consultation and strategy to address critical ESG exposures.



**“My organization has not yet adopted a globally accepted ESG disclosure and reporting framework.”**

This absence of core foundational principles (e.g. UN Sustainable Development Goals) indicates slow adoption of emerging frameworks that will soon be endorsed or mandated.



**“My organization has not included ESG-related issues in its three-year internal audit plan.”**

This highlights the misalignment between how internal audit has traditionally been viewed / viewed its role and today’s shifting expectations. Internal audit needs to evolve to continue offering strategic value to all stakeholders, which includes updating required skills and experience.