FOCUS GROUP REPORT

Including Best Practices Portfolio

ESG

DIAGNOSTIC

Contents

1. Introduction

In the present document, we will describe the focus group activity and present its main outcomes.

The aim of the focus group and preparatory activities was to brainstorm, analyze, and promote innovation for the optimum learning approaches and resources to achieve the ESG Diagnostic's objective that is acceleration of SMEs' sustainability transition and their training on how to measure and improve their ESG performance by inserting digital tools to sustainability methods. More precisely, the preparatory activities prior the focus group as well as the focus group as such will result in:

- Examining the present status, recognizing the target group's learning goals, the program's workable steps that can be taken to achieve the best possible training material,
- Discussing the best related real-life practices, which will be included in the training guidebook to be produced in the following steps of the project and specify the study visits that will take place in Greece during the Transnational Workshop for professionals,
- Covering a broad spectrum of needs, i.e. data analysis, digitalisation, reporting, presentation, infographics, solution development and implementation as well as ongoing assessment of the ESG strategy.

2. Research phase details

Date: 24 June 2023

Location: Nicosia, Cyprus

Number of participants and their profile: The participants were composed of nine experts from all participating countries who are interested in bringing positive changes in their field of sustainability in organisations by using scientific data and digitalization via data analysis. More precisely the experts were trainers, consultants (i.e. in the field of business and CSR), researchers and members of the partner organisations.

3. Preliminary research

Prior to the focus group activity, a desk-based study took place with the main aim to:

1. Screening the challenges and developing solutions for ESG strategies to be incorporated into companies.
2. Compile EU's best practices to be included in the guidebook are real life examples. Some of the practices identified in Greece will be visited by the participants during the training transnational activity,
3. Identified training programs that are offered throughout the EU in the area of the project that best serves the needs of the companies who wish to enhance their knowledge on ESG metrics and digital tools. The final results of the research, that are the current analysis report, and best practices list, highlight opportunities and gaps that are crucial for the creation of the training.

Challenges & developing solutions

The process that has been carried out for screening the challenges and developing solutions for ESG training in enterprises, involved a scientific approach involving data collecting and analysis. Initially, we conducted a thorough literature review and background research to gain a better understanding of the current state of ESG training practices, issues, and solutions in various industries. Data have been gathered from scientific articles, reports, case studies, and other trusted sources. Then, we defined the objectives and the scope of the aspects of ESG training we wanted to investigate further i.e. current training programmes, employee engagement, ESG compliance etc. We also reviewed open to the public annual company reports, sustainability reports, and other relevant information to have a better understanding of the companies' commitment to ESG training.

Using the data gathered, we identified the most common obstacles that companies face while implementing and offering effective ESG training. Among these obstacles are:

- Employees' lack of awareness and understanding of ESG concepts.
- Training courses are constrained in terms of budget and resources.
- Difficulties in quantifying the influence of ESG training on a business' performance.

Following that, we compared our findings to industry benchmarks and best practices. We Identified and comprehended companies which incorporate ESG strategies as a core element of the organisation's procedures. The same procedure has been carried out by all three partners in their home countries. All finding has been shared among the partnership before the transnational activity and discussed during the physical meeting in Cyprus. The common challenges have been agreed and based on that we agreed in common feasible solutions. The product of this desk-based research is available in Annex 1.

Best Practices Portfolio

Name of Company:	Elvalhalcor
Country:	Greece
Location:	Oinofyta, Viotia
Type of company:	aluminium and copper processing industry
Website, if available:	https://www.elvalhalcor.com/
ESG reports, if available (link):	https://www.elvalhalcor.com/sustainability/reporting/

Challenge **: Materiality Assessment**

The subjectivity and stakeholder engagement problem in conducting a materiality assessment is a significant challenge that arises due to the diverse perspectives and opinions of stakeholders involved in the process.
Challenges:

1.   Stakeholders have varying priorities, values, and expectations regarding what should be considered material in a sustainability context

2.   Identifying relevant stakeholders and ensuring clear and transparent communication

3.   Evolving stakeholder expectations require organizations to adapt their assessment processes

Solution/best practices

        ElvalHalcor addresses these issues in its materiality assessment through a structured approach based on recognized reporting standards. They utilize the Global Reporting Initiative (GRI) Standards and industry-specific standards from the Sustainability Accounting Standards Board (SASB) to guide their assessment process. The assessment considers both the impact of material issues on the economy, environment, and society as well as their impact on business value and operations (double materiality)
ElvalHalcor follows a series of steps in their materiality assessment:

1.   Recognition of materiality issues, reviewing the relevant standards, industry reports and relevant news

2.   Evaluation of materiality issues to reach the 18 most essential issues based on specific criteria

3.   Stakeholder survey

   A) **Mapping communication channels and stakeholder expectations**

Stakeholders	Employees	Shareholders/ Investors	Customers	Suppliers
	1 4 7 16 17 18	2 3 5 9 10	3 7 9 11 2	1 2 4 11 18
Communication channels	● Ongoing communication between Management and employees ● Communication and updating via the Company intranet ● Emails and newsletters on notice boards ● Internal newsletter ● Christmas event for all employees ● Company website and social media	● Annual General Meeting of Shareholders ● Investor Relations Department ● Briefings from the Board of Directors to shareholders about all Company developments ● Press releases, announcements and reports ● Reporting of results on a quarterly, semi-annual, 9-month and annual basis to the Board ● Constant communication of financial analysts and investors with the Company executives ● Investor Relations Officer ● Presentation at the Hellenic Fund and Asset Management Association ● Annual and Sustainability Report	● Sales Department (constant contact, physical, over the phone or by email) ● Company website and social media ● Customer satisfaction survey ● Participation in trade fairs ● Annual and Sustainability Report	● Procurement Department (constant communication, both physical and over the phone) ● Attendance at supplier exhibitions and events ● Training ● Company website and social media
Stakeholder's expectations	- Fair pay and evaluations - Opportunities for growth and development - Briefings about Company goals and their achievement - Communication with the Management - Occupational Health and Safety	- Enhancing Company competitiveness - Company profitability - Containing operating costs - Transparent relations with stakeholders - Proper Corporate Governance - Regulatory compliance - Avoidance of incidents that bring the Company into disrepute - Reduction/ elimination of risks/ hazards	- Excellent standards, high quality products - High level of service - After sales support - Informing customers about market developments and Company products	- Objective, merit-based evaluation - Employment opportunities and encouraging local suppliers - Informing suppliers about market developments
ElvalHalcor's response (reports section)	3. Social (Our performance)	1. ElvalHalcor - Creating shared value 4. Governance (Our performance)	3. Social (Our performance)	3. Social (Our performance)

● ElvalHalcor's communication is continuous

B) Double Materiality Table

C) Most Important Material Issues Table

ElvalHalcor's «most important material issues» are presented in the table below and by ESG thematic pillar

	ElvalHalcor's material issues	Relevant SDGs	Relevant target (SDGs target)	Impact within ElvalHalcor	Impact outside ElvalHalcor	Management disclosure (page)
E	Climate change (2)		9.4	✔	✔	p. 30, 32
	Circular economy – Promote aluminium and copper recycling (1)		9.4, 12.5	✔	✔	p. 30, 35
	Waste and wastewater management (10)		12.5	✔	✔	p. 30, 35
	Energy efficiency (6)		7.2	✔		p. 30, 33
	Water use (11)		9.4, 9.4.1	✔	✔	p. 30, 32
	Water management (12)		6.4, 6.3	✔	✔	p. 30, 32
S	Occupational Health and Safety (4)		8.8	✔	✔	p. 48-52
	Employee training and development (8)		-	✔	✔	p. 40-43
	Supply chain responsibility (5)		9.3, 12.1	✔		p. 54-56
	Human and equal rights, diversity and inclusion (13)		4.3, 8.5	✔	✔	p. 40, 46-47
	Supporting local communities (14)		9.3	✔	✔	p. 58
G	Corporate Governance and Business Ethics (9)		16.5	✔	✔	p. 65-66
	Information security & personal data privacy (15)		-	✔	✔	p. 70-71
	Research, development, and innovation (7)		9.5	✔	✔	p. 22
	Sustainability enabling products (3)		-	✔	✔	p. 14-17
	Digitalisation (16)		-	✔	✔	p. 23

4.   Validating materiality issues with management

5.   Elvalhalcor can then accurately determine its short and long term ESG KPIs

Environmental KPI's

	Unit of measurement	Aluminium rolling division			Copper and alloys extrusion division		
		2019	2020	2021	2019*	2020*	2021
Water consumption	m³/tn of product	2.21	2.39	2.20	1.72	1.72	1.68
Water consumption by source							
EYDAP water supply network	%	100	100	100	99.0	98.0	97.5
Oinofyta water supply network		0	0	0	1.0	2.0	2.5
Energy							
Electricity consumption	KWh/tn of product	0.78	0.82	0.76	0.79	0.76	0.78
Thermal energy consumption		1.868	1.87	1.73	0.91	0.97	0.89
Total energy consumption		2.64	2.69	2.49	1.70	1.73	1.67
Emissions							
Total CO₂ emissions	Kg CO₂/tn of product	0.820	0.780	0.720	0.622	0.549	0.544
Direct emissions		0.369	0.375	0.348	0.166	0.177	0.163
Indirect emissions		0.451	0.405	0.372	0.456	0.372	0.381
Waste and waste management method							
Recovery	tn	3,867	3,821	6,023	1,504	1,331	2,354
Recycling		27,145	28,190	32,578	28,869	28,003	24,764
Landfill		739	630	816	496	618	547
Total		31,751[1]	32,641[2]	39,417[3]	30,869	29,951[4]	27,665[5]
Non hazardous waste (waste management method)							
Recovery	tn	35	374	56	42	46	57
Recycling		25,009	22,198	30,450	28,326	27,489	24,169
Landfill		739	630	816	272	326	231
Total		25,783	23,202	31,322	28,640	27,862	24,457
Hazardous waste (waste management method)							
Recovery	tn	3,832	3,447	5,967	1,504	1,331	2,354
Recycling		2,136	5,992	2,128	501	467	537
Landfill		0	0	0	224	291	316
Total		5,995	9,439	8,095	2,228	2,089	3,208
Direct energy consumption by type of fuel[6]							
Diesel	GJ/tn of product	0.12	0.13	0.12	0.12	0.12	0.13
Natural gas		6.58	6.60	6.12	3.10	3.38	3.08
Gas (LPG)		0	0	0	0	0	0
Total		6.70	6.73	6.24	3.22	3.40	3.21

Name of Company:	Vodafone Greece
Country:	Greece
Location:	Athens
Type of company:	technology and telecommunications provider
Website, if available:	https://www.vodafone.gr/
ESG reports, if available (link):	https://www.vodafone.gr/files/1490744237334-apologismos-viosimis-anaptyxis-2020-2021-Annual_Report_2020%202021.pdf

Challenge: Implementation

The implementation of strategies and monitoring of the set Key Performance Indicators (KPIs) when conducting an ESG report is a crucial aspect of the reporting process with many challenges.

Challenges:

1. Resource Allocation

Limited resources (financial, human, technological) may hinder the effective execution of strategies, affecting data collection, analysis, and reporting processes

2. Organizational Alignment

Ensuring alignment across different departments and stakeholders within the organization is essential. Involve key decision-makers and establish clear lines of responsibility and accountability.

3. Integration into Business Processes

Failure to embed sustainability considerations into day-to-day operations may result in strategies being seen as separate from core business activities, leading to limited impact and progress.

Solution/best practices

Vodafone's Green Network is Europe's largest grid powered by 100% certified renewable energy sources, including solar, water, and wind. This sustainable and reliable network covers all of Vodafone's operations in Greece, including core networks, data centers, mobile and fixed networks, retail points, and office buildings. Since April 2021, Vodafone in Greece has achieved full coverage of its energy needs from renewable sources, certified through guarantees of origin. This commitment to green energy extends to the European level, where all Vodafone Group activities are now supplied with electricity from 100% certified renewable sources.

Name of Company:	MYTILINEOS
Country:	**Greece**
Location:	Athens
Type of company:	energy and metallurgy company
Website, if available:	https://www.mytilineos.com/
ESG reports, if available (link):	https://www.mytilineos.com/sustainability/sustainability/

Challenge: Communication

The problem of communicating the results of an ESG report and creating a simplified report for all relevant stakeholders to understand the results poses several difficulties.

Challenges:

1.   Complex and Technical Information

Communicating the details of the report in a way that is easily understandable to stakeholders who may not have a background in sustainability or finance can be challenging.

2.   Stakeholder Diversity

Tailoring the communication approach to cater to the diverse needs, knowledge levels, and interests of different stakeholder groups can be demanding.

3.   Information Overload

Presenting this extensive information in a concise and accessible format without overwhelming stakeholders with excessive data can be a daunting task.

4.   Simplification without Dilution

It is essential to strike a balance between presenting information in a simplified manner while ensuring the integrity and accuracy of the data

5.   Consistent Visual Presentation

Effectively using charts, graphs, infographics, and visual aids can help convey complex information in a more digestible and engaging way. However, creating visually appealing and informative materials requires design expertise and resources.

Solution/best practices

The company has prepared two main visualization tools that anyone can reach through the website, the Integration Value Creation Scorecard and the Sustainability Actions Map.
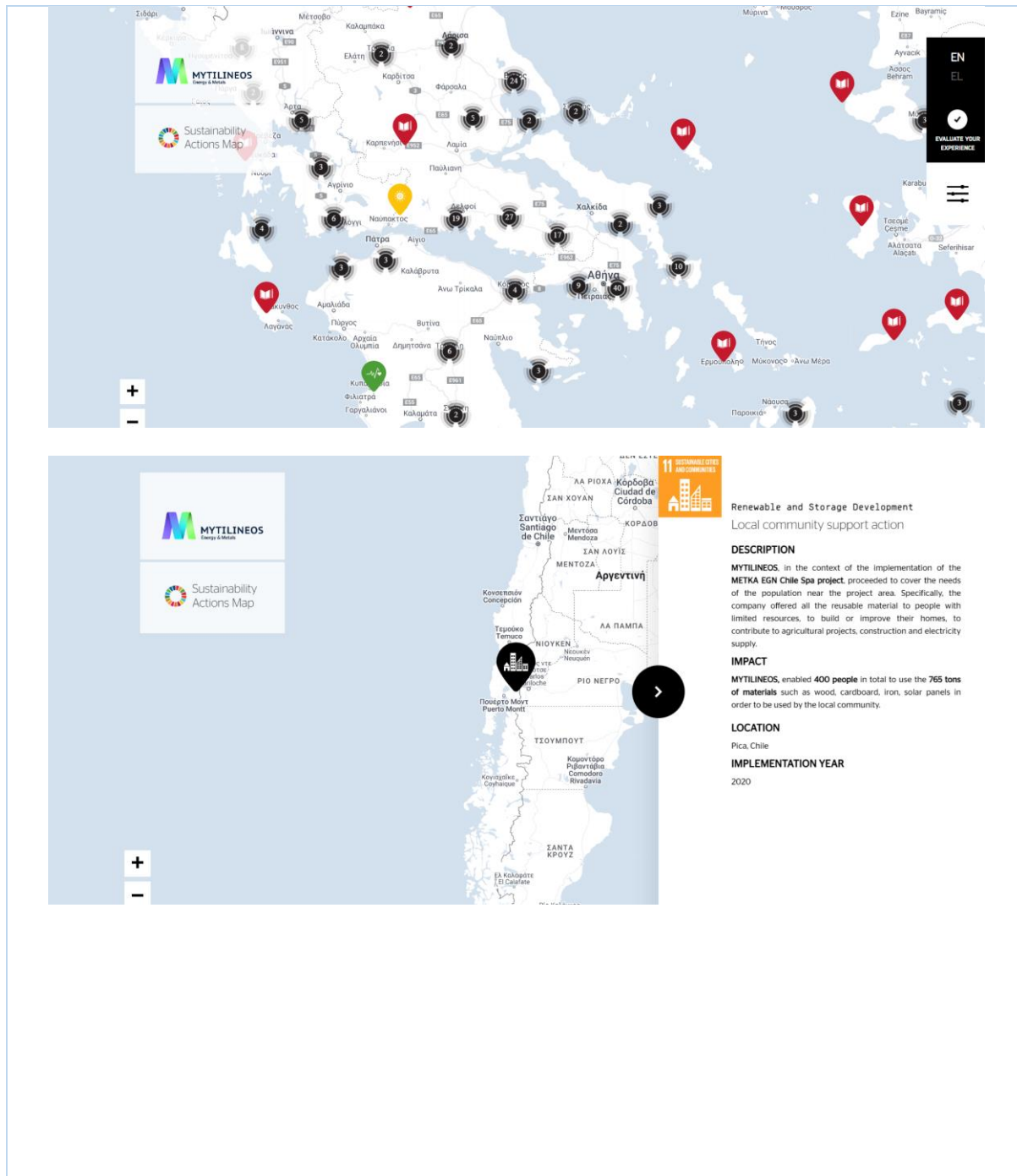
A)   Integrated Value Creation Scorecard

The aim of the Integrated Value Creation Scorecard is to present to all MYTILINEOS' Stakeholders the basic resources (financial, industrial, natural, human and social) that it uses in its activity, through its business model, the corresponding results and the value generated, in combination with the 17 UN Sustainable Development Goals.
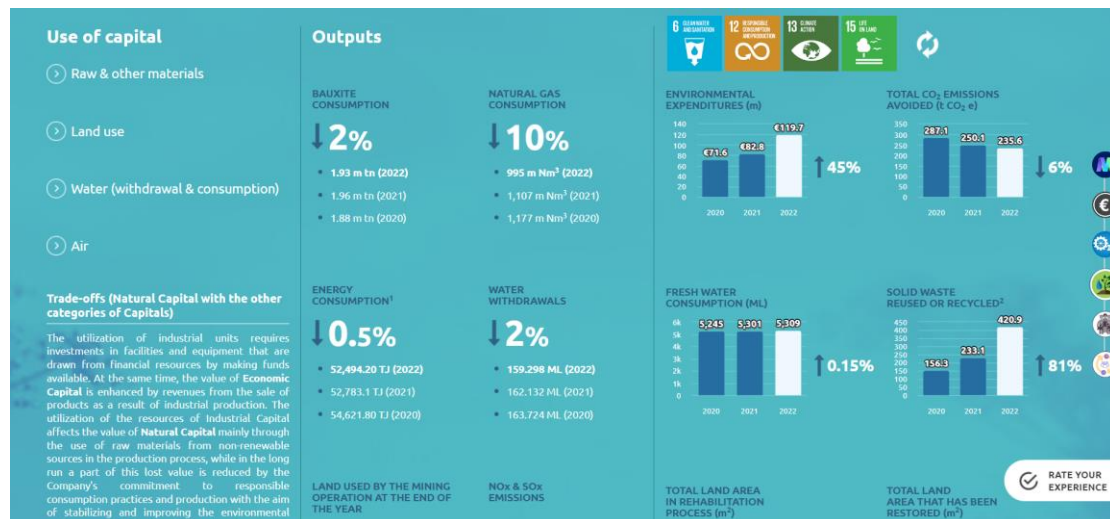
A)   2.3.2. Sustainability Actions Map

The Sustainability Actions Map is an innovative tool that presents the most relevant and accurate update on Sustainable Development issues to all the Company Stakeholders. The direct access to the desired information and the microsite's user-friendly interface are key features that ensure the continuous and effective provision of information to the Company's Stakeholders, focusing either on the desired Global Sustainable Development Goal or on the desired region / country for each Business Unit.

Renewable and Storage Development
Local community support action

DESCRIPTION

MYTILINEOS, in the context of the implementation of the METKA EGN Chile Spa project, proceeded to cover the needs of the population near the project area. Specifically, the company offered all the reusable material to people with limited resources, to build or improve their homes, to contribute to agricultural projects, construction and electricity supply.

IMPACT

MYTILINEOS, enabled **400 people** in total to use the **765 tons of materials** such as wood, cardboard, iron, solar panels in order to be used by the local community.

LOCATION

Pica, Chile

IMPLEMENTATION YEAR

2020

Training Programs

Title	GRI Professional Certification Program
Website link, if available	https://www.globalreporting.org/reporting-support/gri-academy/

Overview	
The GRI Professional Certification Program is designed to enhance the knowledge, expertise, and skills of sustainability professionals in implementing the GRI Standards to improve the quality of sustainability reporting.	
Learning Outcomes	• Improve participants' reporting skills • Maintain and upskill participants' sustainability knowledge • Enhance participants' credibility • Demonstrate participants' sustainability know-how
Target audience	Sustainability professionals, sustainability consultants, CSR specialists and reporters, to C-suit executives and students in the field of sustainability and CSR reporting
Duration	16h

Course structure.
What are the topics and modules?

1. Introduction to sustainability reporting and the GRI Standards.
2. Reporting with GRI Standards.
3. Reporting on Human Rights with the GRI Standards.
4. Integrating the SDGs into Sustainability Reporting.
5. Certification Exam.

How is the content presented and structured?

The content is separated into 4 courses and after completing the training, the participants are eligible to take the certification exam.

Competences	Knowledge	Attitude

Learning materials
What learning materials are required? e.g. textbooks, reading, videos, interactive simulations etc.

All required and recommended learning materials are made available in the course itself, as downloads or as links to resources on the internet. All participants are encouraged to have read the GRI standards before the training.

What teaching strategies and techniques are used?

The program is a self-paced online course comprised of 4 modules.

Assessment
What methods of assessment are used?

After completing the 4 four courses, participants are eligible to take the certification exam.

Accessibility and usability
Are there any barriers to access or usability that may impact its effectiveness for certain learners?

There are no barriers or prerequisites to attend this program. It is, though, highly recommended that participants are familiar with the GRI standards.

Title	Sustainable Digital Innovation
Website link, if available	https://www.coursera.org/learn/sustainable-digital-innovation
Overview	
Two of the most profound business challenges are digitalization and sustainability. They are rapidly changing the way we are doing business both today and in the future. Therefore, in the Sustainable Digital Innovation course, we explore the business opportunities that can open up when we align our strategy with sustainability goals.	
Learning Outcomes	• understanding the sustainable contextual framework • the methods and tools for your business to address sustainable challenges of different means • how digital technologies can help you manage and innovate your role in your business ecosystem and support sustainable development in business and society • the existing and emerging cases of digitally-enabled sustainable solutions – as these solutions are of value to industries on various markets.

Target audience	business leaders or product managers who want to explore how your business can thrive in a more sustainable and digital business context.
Duration	13h

Course structure. What are the topics and modules?
There are 5 modules in this course:

1) Sustainable development–How does it relate to a business
2) Integrating sustainability into business management
3) Aligning sustainability in industrial digitalization
4) Sustainable development–A source for innovation
5) Prepare for transformation

How is the content presented and structured?
Each one of the 5 topics is presented in a separate module that include the learning materials and a quiz.

Learning materials What learning materials are required? e.g. textbooks, reading, videos, interactive simulations etc.
For each module there are videos and readings available for the participants to watch and read.

What teaching strategies and techniques are used?
After completing the videos and readings, the participants are expected to take a quiz.

Assessment What methods of assessment are used?
Each module includes an assessment quiz. If the participant takes the quizzes successfully, there is a certificate available, under a purchase fee.

Accessibility and usability Are there any barriers to access or usability that may impact its effectiveness for certain learners?
There are no barriers or prerequisites to attend this program. It is, though, highly recommended that participants are experienced professionals.

Title	ESG & Sustainability: ESG Corporate Masterclass 2023
Website link, if available	https://www.udemy.com/course/esg-sustainability-corporate-masterclass-2023/#reviews
Overview	
The program gives the participants a competitive edge by learning about ESG Frameworks, Reporting, Investing, Program Implementation, CSR and more	
Learning Outcomes	● Understand the true definition of ESG and the evolution of corporate responsibility to ESG. ● Identify the differences and similarities between ESG and CSR. ● Analyze ESG issues and their impact on organizations and stakeholders. ● Evaluate the importance of ESG for organizations in terms of risk management, competitive advantage, access to capital, regulatory compliance, and stakeholder. ● Compare and contrast different ESG frameworks for measuring, managing, and reporting performance. ● Recognize the principles of ESG investing and how it differs from traditional investing. ● Identify ESG factors to consider when investing, different types of factors/benchmarks, and investment strategies. ● Identify the challenges associated with ESG investing, such as data quality, standardization, and transparency.

	● Identify key roles and responsibilities to drive ESG within an organization. ● Understand how to implement an ESG program step-by-step and best practices. ● Prioritize ESG issues based on their importance to stakeholders and business. ● Select relevant ESG frameworks to follow based on your organization's needs. ● Develop a strategic vision and garner buy-in for your ESG program. ● Conduct a materiality assessment to identify key ESG issues. ● Conduct a materiality assessment to identify key ESG issues. ● Create a roadmap with a dedicated timeline, budget, and actions for implementing your ESG program. ● Assign resources with defined roles and responsibilities within your organization. ● Engage stakeholders to ensure their buy-in and support. ● Implement ESG progress and procedures to ensure ongoing improvement. ● Monitor and measure ESG performance to track progress and identify areas for improvement. ● Communicate your ESG program effectively to stakeholders. ● Understand career opportunities within the ESG field and their importance. ●
Target audience	● ESG professionals who want to enhance their knowledge and skills in ESG and sustainability. ● Corporate professionals who want to integrate ESG initiatives into their organizations and improve their ESG programs. ● Professionals who have little or no knowledge of ESG and sustainability but are interested in learning more about the subject. ● Individuals who want to pursue a career in ESG and sustainability or want to transition into a new career in this field. ● People who want to get ESG certified and gain a deep understanding of ESG frameworks, reporting standards, and best practices. ● Anyone who is interested in understanding the importance of ESG and how it can positively contribute to society and the environment while achieving better business results.
Duration	5h
Course structure. **What are the topics and modules?**	

1) Overview of ESG and Sustainability
2) ESG Vs CSR
3) Key Reasons ESG is important for your organization
4) Prevalent ESG Issues
5) ESG Frameworks for Measuring, Managing and Reporting Performance
6) ESG Investing
7) ESG Program Implementation (Step-by-step) and Best Practices
8) Barriers to ESG Adoption

9) **Career Opportunities within ESG**
How is the content presented and structured?
The content is presented through on-demand videos and one downloadable resource. The content includes 13 sections with 63 lectures.
Learning materials What learning materials are required? e.g. textbooks, reading, videos, interactive simulations etc.
This course includes 4,5 hours on-demand video and 1 downloadable resource, with access on mobile and TV
What teaching strategies and techniques are used?
There is a certificate of completion for this program.
Assessment What methods of assessment are used?
The program does not include assessment tools for participants.
Accessibility and usability Are there any barriers to access or usability that may impact its effectiveness for certain learners?
The requirements for the course include the following: • Basic computer literacy and access to a computer with a stable internet connection. • No prior knowledge of ESG or sustainability is required, as the course covers the fundamentals and builds from there. • A strong desire to learn about ESG and how it can benefit businesses and society is highly encouraged.

4. Minutes of the focus groups

The focus group session started with a welcome and introductions, followed by a brief presentation of the project. After that, participants were introduced to the activity (e.g., aims, objectives, scope, expected duration, etc.). Participants were informed about confidentiality in detail. The probable use of the results of focus groups was clearly discussed with participants. Participants' rights to withdraw from the discussion at any time they wish and their right to choose not to answer questions that create discomfort for them were specified at the outset of the focus group.

Following the introduction phase, focus group discussions began. Initially, the discussion centered on whether the learning material should exclusively focus on Small and Medium-sized Enterprises (SMEs), large companies, or encompass both categories. After a thorough exchange of ideas among the participants, it became evident that SMEs, in particular, are in urgent need of integrating Environmental, Social, and Governance (ESG) principles into their strategies. This emphasis on ESG adoption was highlighted as a means to enhance their competitiveness in the market and distinguish themselves effectively.

Picture 1: Members of the focus group discussing on the day of the physical meeting.

Following this and since the screening of challenges and developing solutions was already shared via email with all participants having the time to review it, the discussion moved straight on collecting the opinion of each participant. The discussion followed a specific flow where each chapter's content was discussed in a row. The results of the discussion are as follows:

- **Chapter 1: Legal obligations & implied rules.** During the discussion, consensus was reached among all participants to consolidate the topics of "Regulatory & Compliance" and "Reporting & Transparency" into a single subject to be renamed as "Compliance & Transparency." It was also highlighted that a thorough examination of the supply chain's interconnections is of utmost importance. Also, all participants unanimously agreed to retain the remaining topics within the chapter.

- **Chapter 2: ESG issues complexity and data availability.** A unanimous agreement was reached among all participants, acknowledging that the specific Chapter will be retained as per the initial suggestion.
- **Chapter 3: Business and ESG strategy.** Subsequent to the discussion, the participants reached a consensus to exclude the topic of "Scalability and Integration" and, instead, incorporate a chapter dedicated to the Environment and materials. Additionally, it was unanimously agreed to accord significant emphasis to the theme of Diversity, Equity, and Inclusion (DEI).
- **Chapter 4: Supply chain management.** All participants agreed to exclude the specific chapter due to its lack of significance or relevance to the learning process of SMEs.
- **Chapter 5: Stakeholder Engagement.** During the discussion, participants engaged in considerations regarding the significance of identifying various stakeholders' profiles and determining the most suitable means of communication to ensure effective engagement with these stakeholders. Moreover, a unanimous agreement was reached that no modifications or alterations will be introduced to this particular Chapter.
- **Chapter 6: Financial issues.** The significance of introducing the topics of Resources Allocation, Access to Capital, and explanation of Return on Investment (ROI) was emphasized during the discussion. A unanimous agreement was reached among all participants regarding this suggestion. Subsequently, a more comprehensive discussion will be conducted on these three subjects, along with the inclusion of the topic 'Long-Term Perspective vs Short-Term Pressures,' following the introduction.
- **Chapter 7: Communication.** A unanimous decision was reached in connecting Chapter 7 with Chapter 5.
- **Chapter 8: Collaborations.** All participants agreed to exclude the specific chapter due to its lack of significance or relevance to the learning process of SMEs.
- **Chapter 9: Implementation.** The sole subject to be retained from this Chapter will be *'Adoption of Innovation and technology'*. All other content within the Chapter will not be included.

Finally, the discussion revolved around minimising the number of Chapters and connecting relevant chapters together. Consequently, all participants reached an agreement on a new and specific structure for the Training Handbook content, which will be organized based on the Chapters discussed above.

5. Conclusion

As a main conclusion of the focus group was the comprehension and recording of the learning objectives of the training material and also the finalisation of the Chapters' list. The main learning objectives per chapter are presented below:

Chapter A. Assess   :

- Understand legal obligations and implied rules related to ESG (Environmental, Social, and Governance) issues.
- Recognize the importance of compliance and transparency in ESG reporting and practices.
- Analyze the changing regulatory landscape and its impact on business operations.
- Identify the concept of greenwashing and the significance of maintaining ESG integrity.
- Explore the influence of international and cultural differences on ESG practices.
- Gain insights into effective supply chain management and its relation to ESG considerations.

Chapter B. Strategize:

- Develop a clear understanding of how business strategy and ESG strategy are interconnected.
- Explore the challenges and opportunities related to data availability and quality in ESG reporting.
- Analyze the complexity of various ESG issues and their implications for strategic decision-making.
- Recognize the significance of Diversity, Equity, and Inclusion (DEI) initiatives in the context of ESG.
- Understand how environmental concerns factor into business strategy and decision-making.
- Explore financial issues related to ESG, including methods for measuring impact and Return on Investment (ROI).

Chapter C. Implementation:

- Evaluate the complexity of ESG issues and their impact on data availability and quality.
- Explore the role of innovation in addressing ESG challenges and opportunities.
- Understand how different ESG issues present varying levels of complexity and require tailored approaches.
- Learn about effective implementation strategies for integrating ESG considerations into business operations.
- Recognize the importance of adopting innovation and technology to enhance ESG practices.

Chapter D. Reporting:

- Understand the importance of stakeholder engagement in the context of ESG reporting.
- Explore strategies for engaging staff and involving the board and executives in ESG initiatives.
- Recognize the significance of effective communication in managing public perception and reputation.
- Analyze the impact of changing consumer expectations on ESG reporting and practices.

The Chapters are:

1. **Chapter A. Assess**
   - Legal obligations & implied rules
     - Compliance & transparency
     - Changing Regulatory Landscape
     - Greenwashing and ESG Integrity
     - International and Cultural Differences
   - Supply chain management

2. **Chapter B. Strategize**
   - Business and ESG strategy
     - DEI (Diversity, Equity, and Inclusion)
     - Environment
   - Financial issues
     - Measuring the Impact and Return on Investment (ROI)

3. **Chapter C. Implementation**
   - ESG issues complexity and data availability
     - Data Availability and Quality
     - Innovation
     - ESG Issue Complexity
   - Implementation
     - Adoption of Innovation and Technology

4. **Chapter D. Reporting**
   - Stakeholder engagement
     - Stakeholder Engagement
     - Staff Engagement
     - Board and Executive involvement
   - Communication
     - Public Perception and Reputation Management
     - Changing Consumer Expectations

6. Annexes

<div align="center">**Annex 1**</div>

ESG Challenges & Solutions

1. Legal Obligations & implied rules

Regulatory and Compliance

Challenge: Companies must negotiate ever-changing ESG rules and compliance obligations.
Solution: Keep up to date on ESG rules and industry standards that apply to your industry. Dedicated persons or teams should be assigned to monitor regulatory developments and assure compliance. Participate in working groups and engage with industry associations to influence policy discussions and shape laws.

Reporting and Transparency

Challenge: It can be difficult to communicate ESG performance and development to stakeholders in a transparent and trustworthy manner.
Solution: Adopt well-known reporting frameworks like the Global Reporting Initiative (GRI) or the Sustainability Accounting Standards Board (SASB). ESG disclosures and reports should be clear, succinct, and easily available. Make use of technology and digital platforms to improve reporting by making it more interactive and engaging for stakeholders.

Changing Regulatory Landscape

Challenge: ESG legislation and standards are continually evolving, and businesses must stay current and compliant.
Solution: Create a regulatory monitoring system to keep track of new and impending ESG legislation and standards. Set aside funds to evaluate the potential impact of regulatory changes on the company's ESG approach. Participate in shaping ESG legislation and advocating for realistic and effective frameworks by engaging with regulatory agencies, industry associations, and professional networks.

Greenwashing and ESG Integrity

Challenge: There is a risk of greenwashing, which occurs when companies make unjustified or misleading ESG claims, causing their reputation and credibility to suffer.

Solution: Create solid internal systems to assure the quality and integrity of ESG data and disclosures. Maintain compliance with recognized ESG reporting frameworks and external assurance criteria. To validate ESG performance claims, use third-party verification or certification. Engage with external stakeholders, such as non-governmental organizations (NGOs) and sustainability organizations, to obtain independent feedback and validation.

International and Cultural Differences

Challenge: Companies operating abroad may encounter difficulties managing varied ESG rules, cultural norms, and stakeholder expectations across jurisdictions.

Solution: To understand the ESG landscape in each country or region of operation, conduct extensive study and due diligence. Customize ESG strategies and practices to meet local rules and cultural sensibilities while adhering to global standards. Engage with local stakeholders, such as communities and non-governmental organizations, to acquire insights and create partnerships.

2. ESG issues complexity and data availability

Data Availability and Quality

Challenge: Businesses may find it difficult to collect trustworthy and relevant ESG data to effectively monitor and report their ESG performance.

Solution: Invest in strong data gathering technologies, create explicit data collection rules, and consider working with third-party data providers. Collaborate with peers in the industry and organizations to build standardized reporting frameworks and metrics.

ESG Issue Complexity

Challenge: ESG challenges can be numerous and linked, necessitating a complete and integrated strategy.

Solution: Conduct materiality evaluations to determine the most significant and impactful ESG concerns for the organization. To handle interconnected ESG concerns, form cross-functional ESG task teams or committees. Collaborate with peers in the sector, non-governmental organizations (NGOs), and experts to share best practices and expertise and to promote collective action on challenging ESG challenges.

3. Business and ESG strategy

Business Strategy Integration

Challenge: Companies frequently find it difficult to reconcile ESG strategies with their primary business strategy and financial goals.

Solution: Integrate environmental, social, and governance (ESG) factors into entire business strategy and decision-making processes. Engage top management and board members to ensure that ESG considerations are incorporated into long-term company strategy. To increase accountability, incorporate ESG measures into performance evaluation and incentive schemes.

Risk Management

Challenge: It can be difficult to identify and mitigate ESG-related risks such as reputational, operational, and regulatory concerns.

Solution: Conduct ESG risk assessments on a regular basis to identify and prioritize issues. ESG factors should be incorporated into enterprise risk management frameworks. Create defined risk reduction measures and track progress using comprehensive risk reporting and internal control methods.

Access to ESG Experts

Challenge: Companies may lack the in-house experience and resources needed to properly incorporate ESG plans and handle related complications.

Solution: Employ ESG experts or consultants who are knowledgeable about sustainability, environmental management, social impact, and governance. To gain access to specialized expertise and guidance, collaborate with external ESG experts, research organizations, or universities. Invest in internal ESG competencies by investing in training and development initiatives

Scalability and Integration

Challenge: Scaling up ESG initiatives throughout an organization and integrating them into core business operations can be difficult.

Solution: Create an ESG integration roadmap that defines precise goals, targets, and dates for various business units and functions. Ascertain that ESG objectives are included into performance measures, incentive structures, and operational processes. Employees should be given training and materials to help them understand and execute ESG principles.

Cultural and Organizational Change

Challenge: Changing an organization's culture and mindset to embrace sustainability and ESG practices may be difficult.

Solution: Create a change management approach that includes staff engagement, training, and communication. Encourage an innovative and continuous improvement culture by allowing staff to participate in ESG initiatives. To drive cultural change from the top down, ensure leadership commitment and lead by example.

DEI (Diversity, Equity, and Inclusion)

Challenge: Incorporating DEI considerations into ESG plans and procedures can be difficult since it necessitates tackling systemic prejudices and cultivating an inclusive company culture.

Solution: Assess and address diversity gaps within the organization and establish specific diversity goals and targets. Implement inclusive recruiting processes, promote equitable chances, and give underrepresented groups with training and support. Policies, employee resource groups, and leadership commitment to DEI can all help to foster an inclusive culture.

4. Supply chain management

Supply Chain Management

Challenge: Ensuring ESG standards are met throughout the supply chain can be difficult, particularly when dealing with several vendors.

Solution: Create supplier rules of conduct that contain ESG criteria and force suppliers to follow these guidelines. Implement supplier evaluation and auditing systems to ensure compliance. Collaborate with suppliers to enhance their environmental, social, and governance practices through capacity building and knowledge exchange.

The Difficulty of ESG Supply Chains

Challenge: Ensure ESG practices are followed throughout the value chain can be a big problem for firms with complicated supply chains.

Solution: Create a supply chain map to identify significant ESG risks and opportunities. Collaborate with suppliers to identify common ESG objectives and set clear expectations. Provide suppliers with training and capacity-building assistance in order to improve their ESG performance. To ensure compliance, implement supply chain monitoring and auditing mechanisms.

5. Stakeholder Engagement

Stakeholder Engagement

Challenge: Engaging with different stakeholders and resolving their unique ESG issues can be complicated and time-consuming.

Solution: Establish effective communication channels by identifying important stakeholders and their ESG priorities. To understand stakeholder expectations and concerns, undertake regular discussion sessions, surveys, and consultations. Create open and transparent mechanisms for stakeholder feedback and disclosure.

Staff Engagement

Challenge: Ensuring staff buy-in and participation with ESG practices can be difficult.

Solution: Through training and education initiatives, foster a culture of sustainability and ESG awareness. Encourage staff involvement in sustainability programs and provide forums for employee feedback and innovation. ESG performance should be incorporated into employee performance evaluations, and sustainable actions should be recognized and rewarded.

Board and Executive involvement

Challenge: When adopting ESG practices, obtaining buy-in and active involvement from the board of directors and executives can be difficult.

Solution: Educate board members and executives about the business rationale for ESG integration, as well as the associated risks and possibilities. Include ESG themes on the regular agenda of board meetings. Establish an ESG committee or select an executive to supervise ESG integration efforts and offer frequent updates to the board.

6. Financial issues

Resource Allocation

Challenge: Companies may encounter resource limits and struggle to dedicate the finances and employees to adopt strong ESG policies.

Prioritize ESG projects based on their importance and possible impact. Create a compelling business case that highlights the financial and non-financial advantages of ESG integration. Look for external funding sources, such as green bonds or grants focused on sustainability. Collaborate with colleagues in the sector and pool resources to advance sustainability projects.

Long-Term Perspective vs. Short-Term Pressures

Challenge: Balancing short-term financial constraints with long-term sustainability goals can be difficult for businesses.

Solution: Create a clear business case for ESG integration, emphasizing the long-term benefits such as improved brand reputation, risk mitigation, and capital access. Engage with investors and analysts to educate them on the relevance of ESG integration and the need for a long-term approach. Incorporate environmental, social, and governance (ESG) factors into financial planning and budgeting processes.

Access to Capital

Challenge: Because some investors and financial institutions prioritize ESG factors in their investment decisions, companies may experience difficulties in obtaining money for ESG activities.

Solution: Create a convincing business case for ESG integration, emphasizing the possible financial benefits, risk reduction, and capital availability. Inform investors on the company's ESG strategy and performance through sustainability reports, investor presentations, and engagement activities. Investigate prospects for ESG-focused investment funds, green bonds, and impact investing.

Measuring the Impact and Return on Investment (ROI)

Challenge: Quantifying the impact of ESG activities and calculating their ROI can be difficult, especially when long-term and intangible benefits are considered.

Solution: Define clear impact measures and measurement procedures that are in line with the company's objectives and ESG aspirations. Assess the real and intangible benefits of ESG activities using methodologies such as cost-benefit analysis, life cycle assessments, and social return on investment (SROI). Collaborate with peers and organizations in the sector to develop industry-specific impact measurement standards.

7. Communication

Public Perception and Reputation Management

Challenge: Negative public perception and reputation hazards might develop if a company's ESG efforts are judged to be inadequate or insincere.

Solution: Transparent and engaging methods should be used to convey the company's ESG commitments, goals, and progress. Create a compelling brand narrative that highlights the company's ESG ideals and beneficial impact. To develop trust and credibility, engage stakeholders in open communication, resolve issues, and incorporate input.

Changing Consumer Expectations

Challenge: Meeting the changing demands of ecologically and socially concerned consumers can be difficult for businesses.

Solution: Conduct market research and connect with customers to learn about their environmental, social, and ethical preferences, then incorporate them into product and service offerings. Marketing and branding activities should be used to communicate ESG objectives and benefits to consumers. Form alliances with organizations focused on sustainability to boost brand reputation and credibility.

8. Collaborations

Collaboration and Industry Leadership

Challenge: Promoting ESG initiatives and encouraging industry-wide collaboration can be difficult if there is a lack of buy-in or leadership within the sector.

Solution: Participate actively in industry associations, projects, and working groups devoted to sustainability and ESG. Propose stricter ESG norms, policies, and regulations. Share best practices and engage with peers in the sector to overcome common challenges

and achieve collective influence. Set high ESG goals and publicly share progress to demonstrate industry leadership.

Non-Governmental Organizations (NGOs) Collaboration

Challenge: Building effective relationships and cooperation with NGOs to address ESG concerns can be difficult because priorities and approaches may differ.

Solution: Identify non-governmental organizations (NGOs) that share the company's ESG goals and values. Create clear communication routes and mutually beneficial alliances. Engage in communication and collaboration to identify shared goals and build cooperative projects that maximize both sides' experience and resources.

9. Implementation

Adoption of Innovation and Technology

Challenge: Adopting sustainable innovation and applicable technologies to support ESG goals can be difficult for businesses.

Solution: Encourage staff to come up with suggestions for sustainable solutions and technologies to help foster an innovative culture. Explore sustainable ideas and pilot projects in collaboration with entrepreneurs, academic institutes, and technology companies. Invest in R&D to foster technology adoption that is consistent with ESG goals

Circular Economy and Waste Management

Challenge: Transitioning to a circular economy and implementing appropriate waste management methods can be difficult, especially for companies that generate a lot of waste.

Solution: Examine product design and packaging to reduce waste and make recycling and reuse easier. Implement strategies for waste reduction and recycling within the organization. Engage suppliers and customers in the development of closed-loop systems and the promotion of circularity. Collaborate with colleagues in the sector and others to advance collaborative efforts toward a circular economy.