pearl
Promoting ESG Awareness
+ Risk Literacy in SMEs

PEARL
Case Study
Template

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Case Study Identification

Case Study Title: Company L

Partner Institution: ATU Donegal

Country: Ireland

Sector /Industry: Food& Drink

SME Profile:

Company size (micro / small / medium): Small Business
SMALL

Ownership structure (family-owned, partnership, etc.):Limited Company with two directors.

Market scope (local / regional / international): National and International.

2. Relevant PEARL Curriculum Module(s)

*(**Select one primary module and, if relevant, secondary modules:** Module 1 – Introduction to ESG, Module 2 – ESG Onboarding, Vision and Responsibility, Module 3 – ESG Risk Analysis and Materiality Assessment, Module 4 – ESG Strategy and Implementation, Module 5 – Reporting, Communication and Branding, Module 6 – Sustainable Financing and Funding Options for SMEs)*

Primary Module: Module 04 – ESG Strategy and Implementation

Secondary Modules:
Module 03 – ESG Risk & Materiality (resource use focus)
Module 06 – Sustainable Finance (grants, cost-saving investments).

3. Learning Purpose of the Case

What ESG challenge, decision, or dilemma does this case illustrate?

How to incorporate sustainability into corporate strategy, commercial decisions and day-to-day operations.

The firm uses sustainability as a key consideration in making all improvements and investment decisions within the company.

Why is this case relevant for SMEs?

It is relevant to SMEs as it highlights the potential of approaching the topic of environmental sustainability form the perspective of achieving improved commercial viability rather than just a contribution to achieving environmental outcomes. Very often SMEs doubt the positive impact of implementing ESG actions can have on a business as they see it as just another cost.

This case study demonstrates that by incorporating sustainability into investment and process improvements that real cost saving can be achieved.

Which competence gaps (knowledge, skills, attitudes) does it address?

Strategic planning.

Process improvement.

The importance of perspective.

4. Case Context and Background

Provide a concise but concrete description of the SME's situation:

(Business model and core activities, ESG maturity level at the start of the case, Regulatory, market, or stakeholder pressure (if any), Key internal constraints (resources, knowledge, resistance, finance)

Company L is a small craft brewing business based in Donegal, Ireland, operating as a limited company with two directors and employing 20 staff. The company produces approximately 1.5 million litres of beer annually for domestic and export markets. At the start of the case, the company had low formal ESG maturity, with no structured ESG strategy or reporting systems, though there was some awareness of sustainability linked to operational efficiency. There were no significant external regulatory or stakeholder pressures driving ESG adoption. Instead, rising costs following COVID-19 and global economic disruptions prompted the company to focus on reducing resource use and improving efficiency. Key internal constraints included limited ESG knowledge, the need to integrate changes without affecting production quality, and financial pressure to maintain margins without increasing prices. As a result, Company L adopted a commercial approach to sustainability, embedding it into operational decisions to reduce costs while achieving environmental benefits.

5. ESG Challenge / Problem Statement

Clearly describe the central ESG-related issue, for example:

(Lack of ESG awareness or strategy, Need for ESG onboarding and internal alignment, ESG risks in the value chain, Materiality prioritisation challenges, ESG reporting and communication difficulties, Financing ESG investments)

How to integrate sustainability into business operations and strategic decision-making in a way that reduces costs and improves efficiency, without compromising product quality or increasing prices.

This includes several key issues:

- Lack of a formal ESG strategy or structured implementation framework
- Need to align sustainability initiatives with commercial and financial objectives
- High resource usage, particularly water consumption in production processes
- Balancing operational improvements with production stability and quality control
- Limited access to tailored ESG knowledge and solutions for SMEs

The case highlights a common SME challenge of **perceiving ESG as a cost rather than a value-creating opportunity**.

6. Data, Evidence, and Inputs

(Use realistic but simplified data where needed)

(ESG-related qualitative information, Basic quantitative indicators (where applicable), Stakeholder inputs or assumptions, Regulatory or market references (e.g. CSRD, VSME, customer demands))

Qualitative Information:
- Company L adopts a cost-driven approach to sustainability
- Focus on efficiency improvements and benchmarking
- Use of public supports (grants, mentoring)

Quantitative Indicators:
- Production: 15,000 hectolitres
- Turnover: €4.5M (2025)
- Water usage reduced from 9L to 4.5L per litre
- Product loss reduced from 5% to 1–2%

Stakeholder / Market Context:
- Price-sensitive customers limit pricing flexibility
- Limited regulatory pressure
- Rising costs driving sustainability efforts

7. Suggested Tools from the PEARL Toolbox

Indicate which PEARL tools can be applied in this case and how?

- PDCA Template for ESG Governance (M4):
Supports continuous improvement of efficiency and resource use
- ESG Key Metrics Overview for SMEs (M4):
Tracks key indicators such as water usage and production losses
- ESG Gap Analysis (M3):
Identifies gaps between current practices and ESG best practice
- Value Chain Analysis (M3):
Assesses ESG impacts across production and supply chain
- CO_2 Footprint Overview for SMEs (M4):
Extends focus to energy use and emissions
- Template for ESG Report (M5):
Enables simple reporting of ESG performance
- Sustainable Finance Options for SMEs (M6):
Identifies funding opportunities for future ESG investments

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9. Expected Learning Outcomes

After working on this case, which KSAs will learners be able to develop?
(Aligned with Related competences (ref.PEARL framework)

Knowledge:
•Understanding how ESG can be integrated into business strategy and operations
•Awareness of the link between resource efficiency and sustainability
•Knowledge of ESG challenges faced by SMEs
Skills:
•Ability to identify opportunities to improve efficiency and reduce resource use
•Application of data-driven decision-making in ESG implementation
•Aligning sustainability initiatives with commercial objectives
Attitudes:
•Viewing ESG as a value-creating opportunity rather than a cost
•Developing a proactive and solution-oriented mindset
•Recognising the importance of balancing sustainability with operational performance

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