



Module 04

ESG STRATEGY &

IMPLEMENTATION



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Agenda Module 4



- 01 Deriving ESG Policies, Actions & Targets

- 02 Defining ESG goals as OKRs: measurable and actionable

- 03 Using ESG driver trees to derive CTQs and measures

- 04 Integrating KPIs, management systems, and software

- 05 Establishing a governance mechanism (PDCA, Obeya, etc.)

- 06 CO2 Scope 1, 2 and 3 reporting

- 07 Embedding ESG in the core of your business strategy

Strategy & Implementation ESRS Logic



Policies (P):

What internal policies, codes of conduct, or frameworks are in place to govern sustainability-related topics?



Actions (A):

What concrete measures and activities are being planned or already implemented to address the identified sustainability topics?



Targets (T):

What measurable objectives or KPIs are set for the short, medium, and long term? (e.g., CO₂ reduction goals, gender diversity targets, supply chain traceability rates)

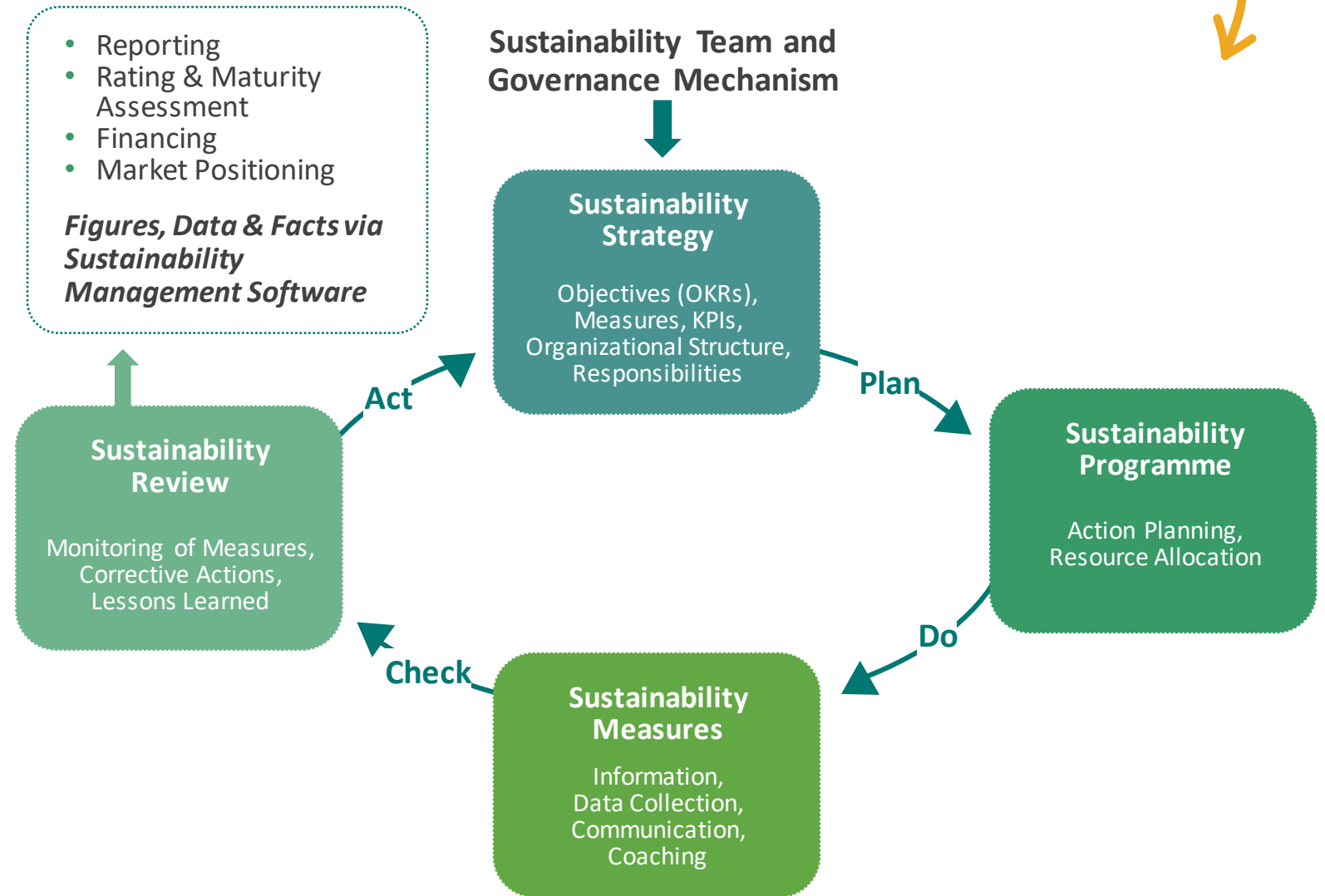
Overview Poceed: Part 3

(Strategy & Implementation)

Implementation of the framework

Content:

- Derivation of measures and responsibilities
- Derivation of KPIs
- Implementation/onboarding of internal sustainability team and governance mechanism (e.g. PDCA cycle, Obeya)
- IT tool: sustainability management software



Goals Defining Objective & Key Results

OKR-Set

Objective

- Key Result 1
- Key Result 2
- Key Result 3
- Key Result 4

Formulation

Objectives

What needs to be achieved?

I want to, I am about to reach...

Key Results

How to reach it?

Measured by

Meaning

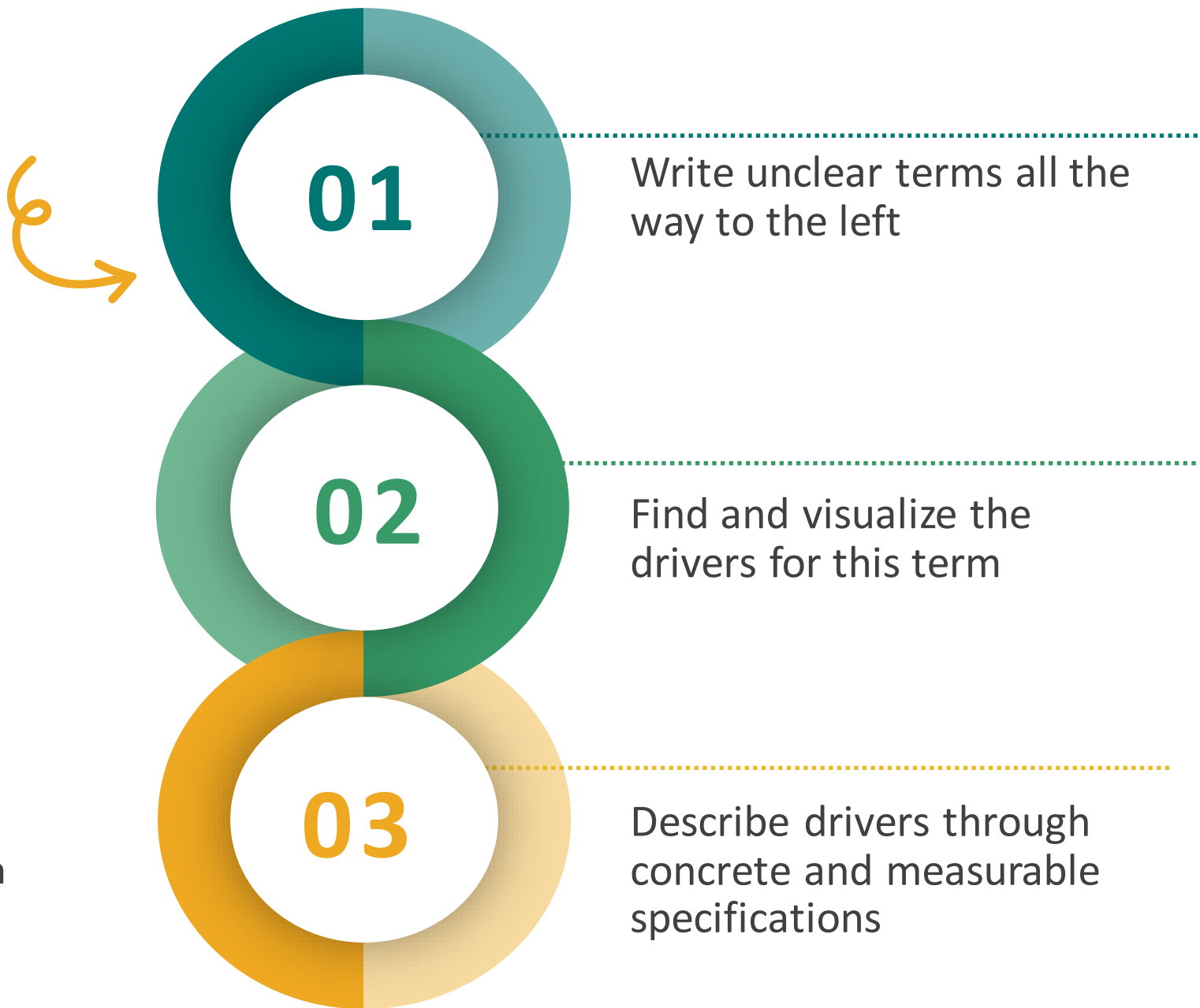
- Quality
- Clearly describes the desired target state
- Ambition

- Quantity
- Value-oriented, measures the result
- Max. 2 - 3 concrete metrics

Driver Tree

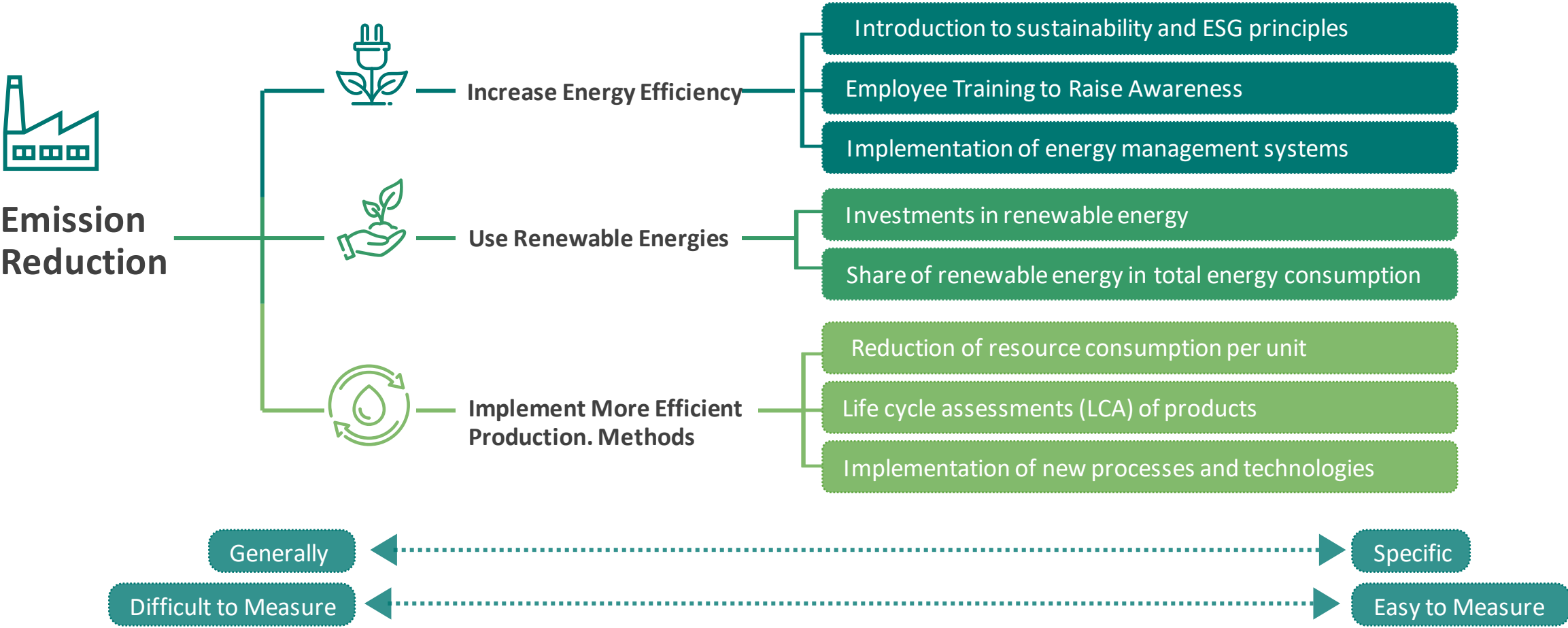
Driver Tree data help clarify and harmonize ambiguous terms, for example:

- When naming critical characteristics and specifications of products, services, and areas of action
- When deciding where to focus improvement efforts
- When identifying the key drivers of customer satisfaction



Driver Tree - Example For The Emission Reduction In Company

Need> Driver> Ctqs = Central Criteria> Key Figures



ESG OKR

Long-term Aspirations	Mid-term Goals	Objective (Strategic ESG Focus Area)	3-5 Key Result (Measurable Outcome – 3-month cycle)	Responsible Person / Team	Status	Progress (%)
Become a climate-neutral and resource-efficient SME	Reduce Scope 1 and 2 emissions by 20% by 2026	Reduce environmental impact of operations	Reduce energy consumption by 8% in Q3	Facility Manager	In Progress	40
			Switch 30% of electricity to renewable sources	Facility Manager	Not Started	0
			Eliminate single-use plastic in office areas	Office Manager	Completed	100
			Conduct energy audit for all facilities	Sustainability Lead	In Progress	60
Be a top employer known for inclusion and flexibility	Increase employee satisfaction and diversity KPIs by 2025	Strengthen employee well-being and inclusion	Achieve 90% participation in employee well-being survey	HR Lead	In Progress	50
			Launch D&I training with 80% staff coverage	HR / DEI Team	Not Started	20
			Implement flexible working pilot in 2 departments	People Ops	In Progress	35
			Track internal promotion rate for underrepresented groups	HR Analytics	In Progress	40
Uphold the highest standards in ethical and transparent governance	Complete ESG compliance overhaul by 2025	Enhance ethical governance and compliance	Update and distribute company-wide Code of Conduct	Compliance Officer	Completed	100
			Complete governance risk assessment	Risk Management	In Progress	60
			Introduce whistleblower policy and training	Legal & HR	In Progress	30
			Achieve 100% compliance with audit recommendations	Internal Audit	Completed	100

ESG OKR

Long-term Aspirations	Mid-term Goals	Objective (Strategic ESG Focus Area)	3-5 Key Result (Measurable Outcome – 3-month cycle)	Responsible Person / Team	Status	Progress (%)
Lead in ESG transparency among comparable SMEs	Achieve ESG score >60 in EcoVadis by end of 2025	Improve ESG transparency and reporting	Publish ESG dashboard monthly	ESG Reporting Lead	Ongoing	90
			Automate 50% of KPI data collection	Data Management Team	Ongoing	50
			Engage 3 external stakeholders in reporting feedback	Stakeholder Relations	In Review	25
Establish a sustainable and resilient supply chain	ESG risk mapping and onboarding for all strategic suppliers	Advance sustainability in the value chain	Train 100% of ESG team on CSRD/ESRS standards	ESG Officer	In Progress	60
			Engage top 5 suppliers in ESG onboarding	Procurement	Planned	10
			Include ESG clauses in 75% of new supplier contracts	Legal	In Progress	25

Supplier ESG Control

Supplier Name	Country	Tier	Material/Service Supplied	Strategic Relevance (High/Medium/Low)	Dependency Level (High/Medium/Low)	ESG Control Options*

*(Contract, Audit, Code of Conduct, etc)

ESG PDCA Example

PDCA Phase	ESG Category (E/S/G)	Strategic ESG Goal	ESG Program / Initiative	Assigned Budget (€)	Responsible Person / Team	Timeline (Start-End)
Plan	E	Reduce CO ₂ emissions by 20% until 2030	Energy Efficiency Program	10000	Facility Manager	Q2 2025 – Q4 2027
Plan	S	Improve gender balance in leadership positions	Diversity & Inclusion Initiative	5000	HR Department	Q1 2025 – Q4 2026
Plan	G	Establish transparent anti-corruption policies	Compliance & Governance Training	3000	Legal / Compliance	Q2 2025 – Q4 2025

ESG PDCA Example

PDCA Phase	Implementation Status	Monitoring & Check	Corrective Actions / Adjustments
Plan			
Plan			
Plan			
Do	In progress		
Do	Not started		
Do	Completed		
Check		Quarterly energy audit report	
Check		Gender diversity report & employee survey	
Act			Adjust reduction targets or tactics
Act			Refocus on targeted recruitment channels

CO2 Reporting Overview Scope 1/2

Scope	Emission Category	Energy/Source Type	Unit	Emission Factor (kg CO ₂ e/unit)	Activity Data input)	Formula\ (kg CO ₂ e)
1	Company-owned vehicles (fuel combustion)	Diesel (liters)	liters	2,65		0
1	Company-owned vehicles (fuel combustion)	Petrol (liters)	liters	2,32		0
1	Stationary combustion (e.g. boilers, furnaces)	Natural gas (kWh)	kWh	0,202		0
1	Stationary combustion (e.g. boilers, furnaces)	Heating oil (liters)	liters	2,66		0
1	Refrigerant leaks (cooling and air conditioning systems)	R134a refrigerant (kg)	kg	1430		0
1	Company-owned generators	Diesel (liters)	liters	2,65		0
1	Company-owned generators	Natural gas (kWh)	kWh	0,202		0
2	Purchased electricity	Electricity (location-based average)	kWh	0,4		0
2	Purchased electricity	Electricity (market-based, renewable share)	kWh	0,1		0
2	District heating/cooling	District heating (kWh)	kWh	0,18		0

CO2 Reporting Overview Scope 3

Scope 3 Category	Activity Description	Unit	Emission Factor (kg CO ₂ e/unit)	Activity Data (user input)	Estimated Emissions (kg CO ₂ e)
Fuel- and Energy-Related Activities (based on Scope 1)	Auto-calculated from Scope 1 emissions	kg CO ₂ e (from Scope 1)	0,1		0
Fuel- and Energy-Related Activities (based on Scope 2)	Auto-calculated from Scope 2 emissions	kg CO ₂ e (from Scope 2)	0,15		0
Purchased Goods and Services – Office Supplies	e.g. paper, pens, general supplies	€	0,0002		0
Purchased Goods and Services – IT Equipment	e.g. computers, servers, printers	€	0,001		0
Purchased Goods and Services – Packaging Materials	e.g. cardboard, plastic packaging	€	0,0005		0
Purchased Goods and Services – Material 1	e.g. wood for production or construction	€			0
Purchased Goods and Services – Material 2	e.g. steel for machinery or components	€			0
Purchased Goods and Services – Material 3	e.g. solvents, industrial chemicals	€			0
Upstream Transportation and Distribution	Inbound transport (tkm)	tkm	0,1		0
Waste Generated in Operations	Waste produced (kg)	kg	0,15		0
Business Travel (Car)	Travel distance by car (km)	km	0,18		0
Business Travel (Train)	Travel distance by train (km)	km	0,012		0
Business Travel (Air)	Travel distance by plane (km)	km	0,255		0
Employee Commuting	Total commuting distance (km)	km	0,12		0
Downstream Transportation and Distribution	Outbound transport (tkm)	tkm	0,1		0



ESG ALL LEVEL ALIGNMENT

ESG onboarding does not end with workshops or individual measures it requires a holistic view of changes within the company.

The 4Q model helps to systematically address individual, cultural, competency-related, and structural aspects.



The four Perspectives of an effective ESG-Onboarding



INSIDE – INDIVIDUAL (Mindset)	INSIDE – COLLECTIVE (Culture)	OUTSIDE – INDIVIDUAL (Competence)	OUTSIDE – COLLECTIVE (Processes, KPIs, Organisation)
Focus: Values, motives, fears, beliefs. Key question: “Why is this important to me?” Goal: Raise awareness, build acceptance, and create personal commitment Measures: Communication, participatory workshops, emotional anchors	Focus: Shared standards, vision, organizational climate. Key question: “How well does ESG fit with our culture?” Goal: Anchoring ESG in our vision, language, and collective self-image Measures: Mission	Focus: Skills, behavior, willingness to learn Key question: “What new things do I need to learn and be able to do?” Goal: Developing ESG-relevant skills and mindsets Measures: Training, coaching, ESG-specific training modules	Focus: Structures, systems, key figures Key question: “What needs to be adjusted within the company?” Goal: Effectively integrate ESG into processes and management Measures: ESG KPIs, software solutions, adjustment of reporting and management systems

Takeaway: The 4Q model provides a proven basis for tackling all levels of change in a structured manner and embedding ESG sustainably within the organization

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