ESG TRANSFORMATION IN FUCTION OF CHANGE MANAGEMENT FOR SUSTAINABILITY

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Abstract

In methodological and empirical meaning, usually arises the challenge of the reasons for the increased importance of the ESG, particularly for advanced and change-oriented businesses ESG is sometimes referred to as sustainable investing, which involves conducting business that provides long-term value without producing any negative effects on the environment or society.

A good ESG strategy includes sustainability factors – such as a company's efforts toward reducing its carbon footprint, going green, encouraging diversity or introducing employee wellness programs. As such, an ESG strategy paves the way for a company to gain investor confidence, earn customer loyalty, reduce operating costs and improve both asset management and financial performance.

ESG should be a transformational, change management effort that touches every part of the business. Otherwise, managers will experience confusion over their role in implementing an ESG strategy, teams will continue to operate business as usual and ESG commitments will go unfulfilled. But leaders who commit to reworking norms, cultivating new behaviors and building new processes will create an environment in which ESG becomes part of the culture and a north star that helps orient all decisions. This, in turn, will position their organizations to lead on ESG and take a meaningful role in addressing the biggest environmental and social issues of our time. Companies need to take an active role in the community, beyond just making a profit. The positive benefits of this strategy include the company's expansion and durability of its success.

Sustainable development is a core principle of the Treaty on European Union and a priority objective for the EU's internal and external policies. The United Nations 2030 Agenda includes 17 Sustainable Development Goals (SDGs). ESG sustainability is crucial for businesses as it enhances reputation, attracts socially conscious investors, reduces risks, fosters innovation, and aligns with evolving consumer preferences, driving long-term profitability while contributing to a more sustainable and equitable world.

The goal of this research paper is to examine the influence of ESG towards the overall competitiveness and sustainable development of businesses.

Keywords: change management, ESG strategy, sustainability

JEL Classification: M1, M14, M16, Q01

1. INTRODUCTION

In recent years, investors have become more aware of the importance of ESG criteria in their investment decisions. As a result, many businesses have begun to integrate ESG into their operations and business strategies. ESG can be considered a subset of sustainability, which is defined by the UN World Commission on Environment and Development as *'meeting the needs of present generations without compromising the ability of future generations to meet their own needs'*.

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Sustainable practices support ecological, human, and economic health, and operate under long-term priorities with an assumption that resources are limited. ESG encompasses three pillars of responsibility:

- *Environmental:* refers to a firm's impact on the environment, such as the company's energy usage, pollution/waste, use of natural resources, and/or positive improvements like switching to renewable energy;
- *Social:* correlates to a firm's impact on society and company stakeholders – this can include factors such as product safety, employee treatment and diversity, charitable initiatives, supply chain relationships, impact on local communities, etc.;
- *Governance:* refers to the company's internal governance structure. Metrics for governance might include board diversity, accounting policies, executive pay and compensation, ownership structure, and ethical behavior within the higher management chain.

The term **ESG**, was coined by the Global Compact in 2004. However, the notion of incorporating all non-financial factors in business has been around for much longer, some might point to 2001 as the beginning of mainstream ESG with the launch of FTSE4Good indices. ESG influence has grown rapidly in recent years. But sustainable investing and responsible impact in business are not new and has been gaining more widespread acceptance in the past few decades.

It is important to note that investors and companies interact with ESG criteria somewhat differently, investors usually focus on integration of ESG criteria into their investment decision, and companies have an added responsibility of integrating ESG criteria, and disclosing ESG data to stakeholders, particularly investors.

2. LITERATURE REVIEW

Environmental, Social, and Governance (ESG) goals have become increasingly important for businesses and investors in recent years. These goals reflect a growing awareness of the need to prioritize sustainability, ethical practices, and responsible management to create long-term value and mitigate risks associated with environmental and social issues. As companies worldwide strive to integrate ESG principles into their operations, they face various challenges that must be navigated to make meaningful progress.

The following list outlines nine key challenges organizations encounter when pursuing ESG goals: (Wastebits, 2023)

1. **Defining clear and consistent criteria:** If you are considering expanding your portfolio to include sustainable investment, you should have a detailed understanding of the ESG criteria and be able to categorize them within the spectrum of green investment forms.
2. **Data availability and quality:** The need for consistent, reliable and comparable ESG data across companies and industries makes it challenging to measure progress and ensure transparency in achieving ESG goals.
3. **Short – termism:** Companies often prioritize short – term financial gains over long – term sustainability, making it difficult to focus on ESG goals that require long – term commitment and investment. ESG investments may be minimized or cut entirely to hit short-term earnings goals, possibly undermining shareholder rights as a result.
4. **Integration with business strategy:** Isolated ESG action plans don't work. Incorporating ESG goals into a company's core business strategy can be challenging, as it often requires a fundamental shift at every level of an organization from mission and

vision, to values, strategy and planning. This integration lays the foundation for creating more sustainable, long-term business value.

5. **Regulatory uncertainty:** The evolving regulatory landscape and varying requirements across jurisdictions challenge companies trying to implement ESG initiatives and comply with global standards.
6. **Investor expectations:** ESG engagement offers a unique opportunity to understand and clarify investor ESG expectations. Aligning ESG goals with the diverse expectations of investors can be challenging, as some may prioritize financial performance over sustainability. In contrast, others may prioritize certain ESG factors over others.
7. **Greenwashing:** Companies may engage in greenwashing or make misleading claims about their ESG performance, which can undermine the credibility of ESG initiatives and make it easier for stakeholders to distinguish genuine progress from mere marketing.
8. **Limited resources:** Implementing ESG initiatives often require significant investments in time, money, and human capital, which can be challenging for companies with limited resources.
9. **Supply chain complexities**: Ensuring compliance with ESG goals throughout complex and global supply chains can be difficult, as companies may need more visibility and control over the practices of their suppliers and subcontractors.

In conclusion, pursuing ESG goals is a multifaceted and complex endeavor that requires companies to overcome numerous challenges. Despite these obstacles, the importance of ESG initiatives in fostering sustainable business practices and long-term value creation cannot be overstated. By addressing the challenges identified in this list, organizations can develop more effective strategies and build more robust ESG frameworks that contribute to a better, more responsible business environment.

ESG regulation in the EU

The CSRD (Corporate Sustainability Reporting Directive) is part of the European Green Deal, a set of policies and initiatives focused on shifting the EU to a more sustainable, responsible, and digital economy. To help fund the Green Deal, the EU launched the Action Plan for Financing Sustainable Growth that outlines reforms in three areas:

- **Moving capital flows toward sustainable investment, in order to achieve sustainable and inclusive growth:**
  - Establishing an EU classification system for sustainability activities;
  - Creating standards and labels for green financial products;
  - Fostering investment in sustainable projects;
  - Incorporating sustainability when providing investment advice;
  - Developing sustainability benchmarks.
- **Mainstreaming sustainability into risk management:**
  - Better integrating sustainability in ratings and research;
  - Clarifying institutional investors and asset managers' duties;
  - Incorporating sustainability in prudential requirements.
- **Fostering transparency and long-termism in financial and economic activity:**
  - Strengthening sustainability disclosure and accounting rule-making;
  - Fostering sustainable corporate governance and attenuating short-termism in capital markets.

The CSRD is a key supporting element of this plan. By requiring companies to disclose finance-grade information on their ESG performance in their annual reports, it will improve the transparency, credibility, and comparability of this data. This will help investors and other stakeholders make informed decisions about the companies they engage with, funneling more capital toward sustainable businesses and investments. It also facilitates greater corporate accountability by encouraging companies to integrate ESG considerations into their business practices. (Trust, 2023)

Figure 2.1 shows all key policies supporting the European Green Deal and EU Action Plan for Financing Sustainable Growth. They aim to improve private sector transparency and accountability around ESG impacts and risks to promote sustainable economic growth and investment in the EU.

Figure 2.1 How does the CSRD relate?

Source: https://www.onetrust.com/blog/ultimate-guide-to-eu-csrd-esg-regulation-for-businesses/, Accessed 21 June 2023.

The SFDR ESG regulation focuses on the transparency of financial market participants, including banks, insurance companies, asset managers, and pension funds. It requires these organizations to disclose information about their ESG policies, risks, impacts and performance at both an entity (company) and product level. Financial firms with investment funds must also disclose what percentage of their products are in line with the EU taxonomy. And, for products that don't meet the criteria, these companies must provide an explanation for why not. By requiring the EU Taxonomy as a reference, the SFDR aims to encourage financial market participants to consider the ESG impacts of the products and services they offer and to grow the financing of sustainable economic activities.

2.1 Socially Responsible Investment

SRI is defined as an investment philosophy that combines ethical or environmental goals with financial goals. (MDPI, 2023) While the historical origin of SRI stems from religious roots that date back two millennia, the demand for its implementation has increased sharply since the global financial crisis of 2008/2009.

The development of SRI has resulted in the emergence of different terminologies that focus on specific dimensions of investment strategies, such as responsible investing, ethical investment, and green investment. For example, green investment is considered a new subset of SRI, focusing on environmental issues, and is defined as the investment necessary to reduce greenhouse gas and air pollutant emissions without significantly reducing the production and consumption of non-energy goods. Terminological differences can be explained in terms of their cultural aspects. For example, references to responsible investment are commonly used in the United Kingdom, but avoided in France and the United States because they ignore important social aspects.

Much of the literature focuses on comparing the financial performance of traditional investments with SRI. A review of SRI between 1986 and 2012 found that most papers indicate that SRI performance equals that of traditional investments and positively affects SRI activities and financial results. A recent literature review of SRI covered a more extended period (1981–2018) and found five thematic foci: the comparison of SRI with traditional investments, investor behavior, SRI compared with corporate social responsibility, institutional investors, and the construction of an SRI portfolio. In addition, a systematic review of SRI identified three themes, mostly falling into SRI performance studies, followed by investor behavior and SRI development studies. Another study extended the work of Widyawati by finding eight common keywords in the SRI literature: *corporate sustainability performance measurement, organizational studies, market reporting and perspective on SRI, governmental and stakeholder perspective, firm strategy and sustainability, corporate financial perspective, methods and books, ethical/sustainable mutual funds.* Another study classified SRI into four types: *socially based investments that focus on solving social issues, environmental investment, socio-environmental investment, and sustainability.*

According to the Global Sustainable Investment Review in 2020, which provides a global perspective on investment strategies growth of SRI, ESG integration ranks first, followed in order by negative/exclusionary screening, corporate engagement and shareholder action, norms-based screening, sustainability-themed investing, positive/best-in-class screening, and, lastly, impact/community investing. A review examined an investment strategy, mainly referring to ESG integration, in 190 academic papers from 1975 to the middle of 2009. The authors found that ESG integration is frequently mentioned in the SRI literature.

2.2 ESG Integration

Concerns about the environment have raised global awareness of sustainability issues, thereby shifting traditional investments directed toward profit maximization to those that support sustainability. The current tendency of the integration of sustainability and ESG in the financial market is termed SRI. SRI refers to ESG integration based on an explicit and systematic consideration of environmental, social, and governance factors in the investment decision-making process. The definition of ESG can be broken down in terms of three factors. Environmental factors consider how a company performs as a steward of the natural environment. Social factors examine how a company manages its relationships with its employees, suppliers, customers, and the communities in which it operates. Governance factors include a company’s leadership, executive pay, internal controls, audits, and shareholder rights. These factors are used as a set of standards to assess a company’s operations when screening for investments. (MDPI, 2023)

Empirical research shows that the effects of ESG on financial markets, as represented in firms’ financial performance and value, are being debated in terms of both positive and negative impacts.

A study of more than 2000 empirical findings revealed that most ESG research findings indicate a positive impact of ESG on firms’ corporate financial performance. In addition, a positive relationship was found between ESG disclosure and profitability in European firms. A survey of empirical research in accounting and finance literature spanning 45 years also found a positive link between ESG and financial performance.

However, other findings indicate a negative impact of ESG on financial performance.

Most of the literature provides mixed signals regarding the positive and negative market values of ESG reporting. One author argues that a socially responsible market leads to an increased number of stakeholders. Others find a negative impact on market value and recommend improving report quality to mitigate this.

Investors play an essential role in supporting ESG and ethical practices, which is reflected in the literature in terms of the investor-based integration of ESG in decision-making, the process of investing in managing risks, and improvements to the investment process. However, research has also identified negative effects of investor integration of ESG, such as lack of consideration of the core issues that drive business models and finance, the lack of a business case, poor quality of data, and the absence of clear standards and definitions.

There are references to the manager-based integration of ESG into investment strategies at different levels, ranging from full integration to low integration, and using ESG reporting for reducing risk rather than for maximizing value.

2.3 Firm Sustainability

Addressing sustainability at firm level includes aspects such as the state of product recycling, sustainability issues within operations, strategies and business routines, and business models. Sustainability reputation significantly affects customer perception. For instance, a study reported a positive impact of sustainability (CSR and ESG) on a firm's reputation. Another study suggested that public awareness motivates firms to develop sustainability capabilities. Firm sustainability has been defined as successful adaptation to change and findings opportunities to offer valuable services—delivered efficiently and effectively—by achieving corporate sustainability through environmental, social, and economic factors to enhance efficiency. The management pillars that specifically address sustainability can be classified as follows: (1) corporate strategy, (2) management of human resources, (3) knowledge and innovation management, (4) measurement, (5) disclosure of independent assurance, and (6) integrated management systems. (MDPI, 2023)

The importance of integrating sustainability into a firm's strategy is discussed in the literature. For instance, it has been suggested that greenwashing occurs because of the absence of knowledge of the process of integrating sustainability into business routines and strategies. The authors examined the integration of economic, environmental, and social factors into different firm strategies, which they classified into an introverted strategy for risk mitigation, an extroverted strategy for legitimization, a conservative strategy for efficiency, and a holistic visionary strategy. In addition, another study provided a conceptual framework for linking sustainability strategies with Porter generic strategies. They suggest that radical innovation in sustainability initiatives leads to positive financial performance. A further study investigated the factors involved in the successful implementation of a corporate sustainability strategy related to organizational structure, culture, leadership, management control, employee motivation and qualifications, and internal and external communication.

The literature on the integration of sustainability into the business model concentrates on identifying features and frameworks, developing archetypes, and visualizing and simulating sustainable business models.

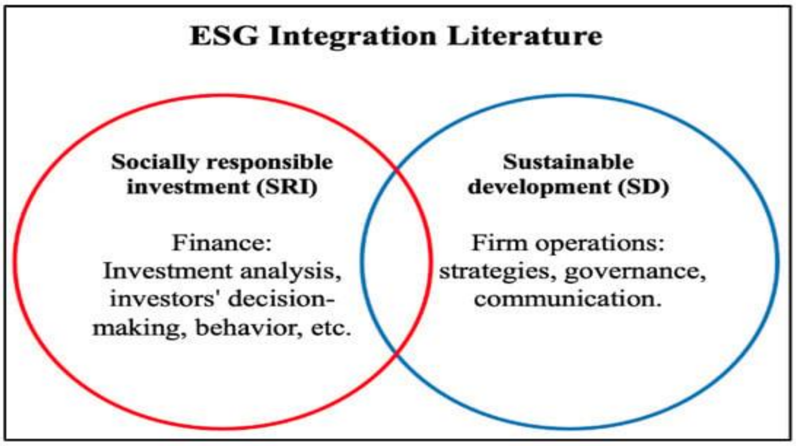
2.4 ESG Integration into Firms: Sustainable Development

The integration of sustainability and ESG into firm operations is referred to as SD. SD has been defined in corporate activities as balancing current sustainability with economic, environmental, and social aspects while also addressing company systems, such as operations and production, the organizational system, governance, assessment, and communication. (MDPI, 2023)

Few empirical studies have examined the impact of ESG on firm operations. The discussion is mostly limited to the positive impact of strategies that consider ESG performance, as well as corporate governance and ESG reporting. A positive impact of regulation on reporting strategies and governance practices is noted in firms becoming proactive in addressing sustainability through communication, transparency, stakeholder engagement, and the improvement of relationships with external resources.

However, ESG as an indicator of sustainability is criticized for not showing the position of firms with regard to the sustainability and trustworthiness of ESG data. Figure 2.4.1 illustrates ESG integration in the literature in terms of both investment and internal operations.

Figure 2.4.1 ESG Integration Literature



Source: https://www.mdpi.com/2071-1050/14/5/2959, Accessed 21 June 2023;

It quickly becomes clear that real impact will require companies to undergo a fundamental shift in how decisions get made at all levels of the business, from focusing primarily on profit maximization to considering a range of factors and stakeholders. Commitments must therefore be paired with organizational change efforts that empower day-to-day decision makers like this regional manager to work towards and be held accountable to these commitments.

This is business transformation at its purest. Just as a company undergoing a digital transformation would invest in reorganizing their operations, so too must ESG leaders deploy all the change management tools at their disposal to successfully embed ESG priorities into the fabric of the business. Companies committed to ESG must thus create a culture and operating system in which ESG goals are prioritized.

No company can prosper nowadays if it is not involved in the community and the people around it. Companies need to take an active role in the community, beyond just making a profit. The positive benefits of this strategy include the company's expansion and durability of its success.

3. DATA AND METHODOLOGY

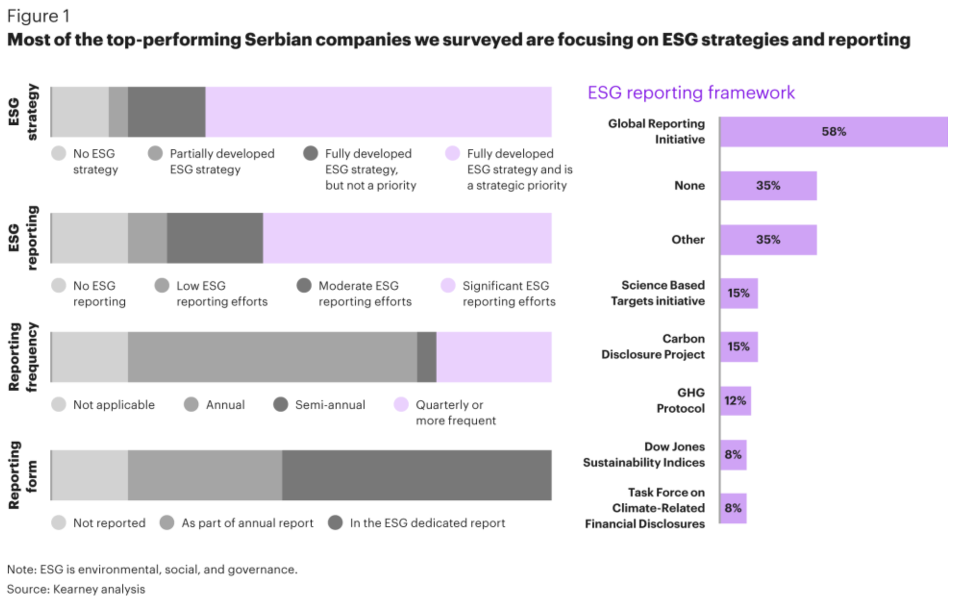
This research discusses the importance of ESG into operations of the business. With growing scrutiny on businesses' role in addressing environmental and social outcomes, many companies are embracing sustainable business practices. Sustainability has become a strategic imperative for companies as they position themselves for the future. The environmental and social challenges the world faces today are complex and urgent. The stakes are getting higher. That's why value-led sustainability is everybody's business.

The data used are secondary, they are the result of research on Environmental, Social, Governance, Integration into the Business Model. In order to provide a comprehensive and transparent view of the relationship between ESG and business models, the data obtained is based on the SALSA framework. (MDPI, 2023)

The growing importance of ESG for businesses in Serbia

ESG issues are becoming much more important for most companies, as seen in their strategy development and reporting efforts (see figure 3.1). In fact, 84 percent of the companies that they surveyed say they have developed an ESG strategy, and 69 percent consider it a strategic priority. More than half say they are investing significant efforts into their ESG reporting. The most common frequency of reporting is once a year; however, a quarter of companies say they report quarterly or more often. More than half have an ESG-dedicated report, but roughly 15 percent say they do not have a clear ESG strategy and therefore no reporting.

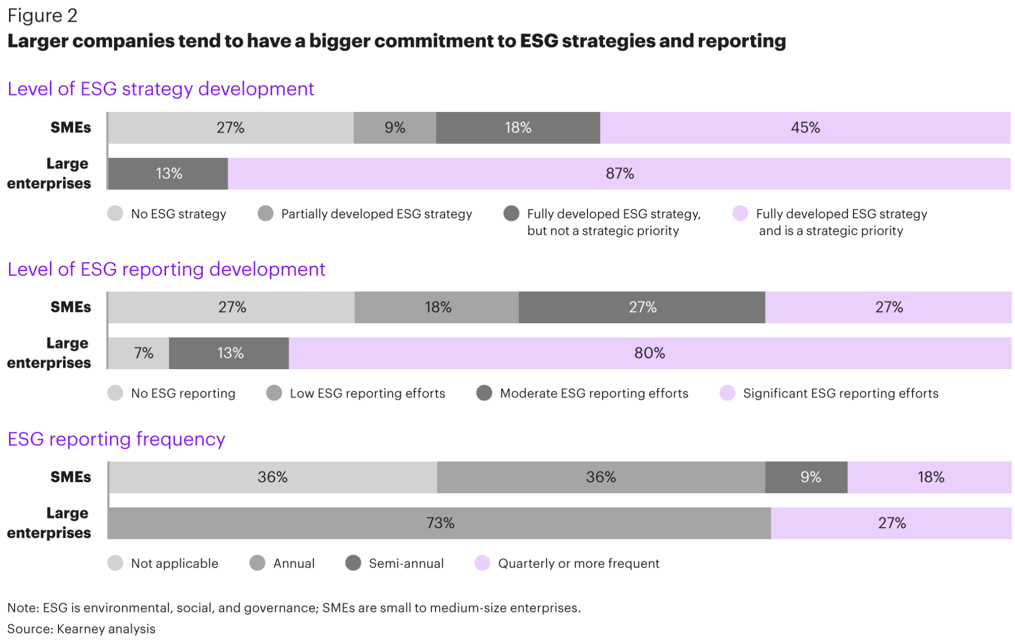
Figure 3.1 ESG strategies: a priority for the top-performing Serbian companies



Source: https://www.kearney.com/service/sustainability/article/-/insights/the-growing-importance-of-esg-for-businesses-in-serbia-from-strategy-to-reporting, Accessed 21 June 2023

When it comes to ESG strategies and reporting, large enterprises display a stronger focus and commitment than SMEs (see figure 3.2). In fact, all of the large companies in their study have fully developed ESG strategies, and 87 percent consider it to be a strategic priority. Meanwhile, two-thirds of SMEs say they have a fully developed ESG strategy, but only 45 percent consider it a strategic priority. Additionally, 80 percent of large companies say they invest significant efforts into their ESG reporting, while only a quarter of SMEs do the same. This is likely a consequence of large enterprises being part of multinational groups that are adjusting their strategies and reporting to meet existing and upcoming European regulations.

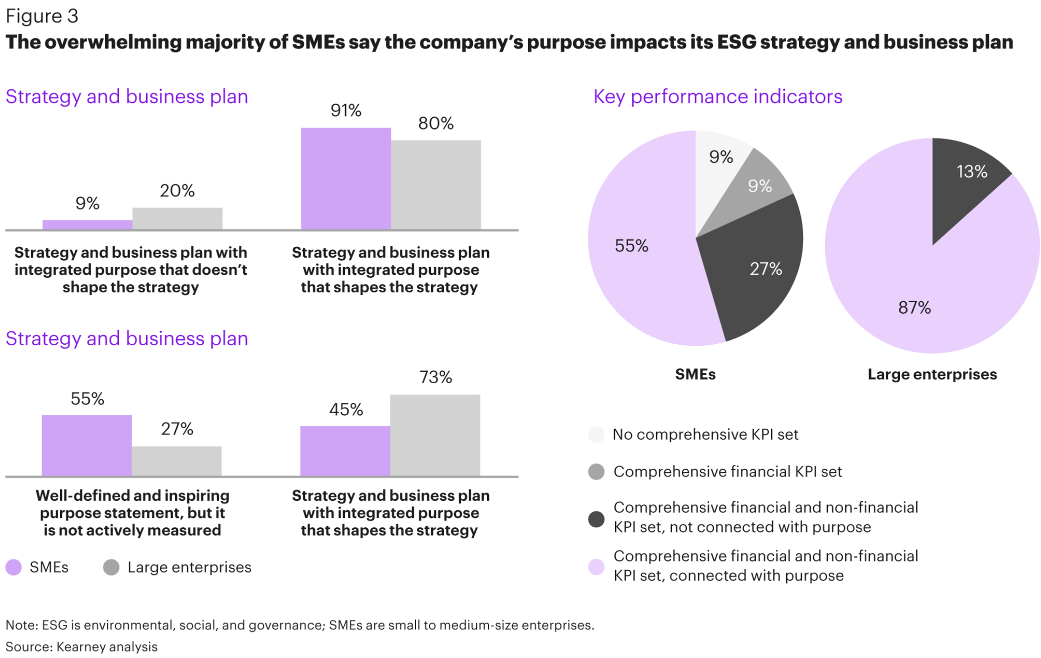
Figure 3.2 Big versus small: does it make a difference?



Source: https://www.kearney.com/service/sustainability/article/-/insights/the-growing-importance-of-esg-for-businesses-in-serbia-from-strategy-to-reporting, Accessed 21 June 2023

The Serbian companies that they surveyed invest a great deal of effort into creating a strategy and business plan with a cohesive goal that is connected to their purpose. Interestingly, 91 percent of SMEs say their purpose influences their strategy and their business plan, compared with 80 percent of large businesses (see figure 3.3).

Figure 3.3 ESG Strategies and business plans



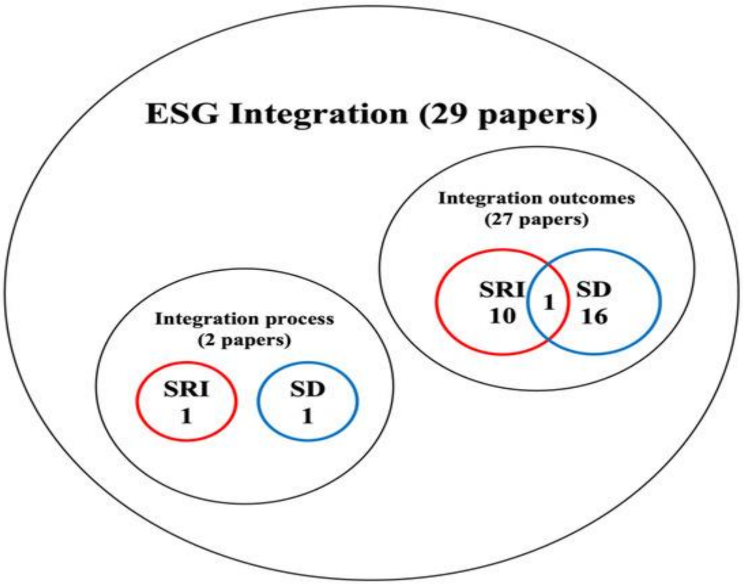
Source: https://www.kearney.com/service/sustainability/article/-/insights/the-growing-importance-of-esg-for-businesses-in-serbia-from-strategy-to-reporting, Accessed 21 June 2023

All of the companies say they have well-defined, inspiring purpose statements. On average, the statement is measured more often within large enterprises. Almost three-quarters of large firms say they actively measure it, compared with only 45 percent of SMEs. In terms of key performance indicators (KPIs), SMEs on average do not connect them with a purpose to the same extent as large enterprises. All large companies say they have both financial and non-financial KPIs. However, 13 percent of large enterprises and 27 percent of SMEs say they don't connect their financial and non-financial indicators with the organization's purpose.

4. RESULTS AND DISCUSSION

Figure 4.1 shows the results of the discussion of ESG and the business model. They analyzed the 29 papers on the basis of process and outcomes and distinguished them based on ESG integration along the lines of SRI and SD.

Figure 4.1 Paper analysis results of ESG integration process and outcomes

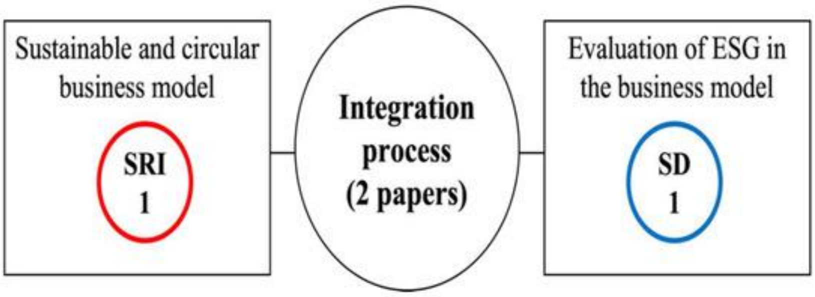


Source: https://www.mdpi.com/2071-1050/14/5/2959, Accessed 21 June 2023;

They found that 27 papers conceptualized ESG into the business model as an outcome, they included 10 papers along the lines of SRI, 16 papers following the view of SD, and 1 paper that addressed both SRI and SD. The papers provided only a general conception of the relationship between ESG and business models with no details of how the integration actually occurred. They grouped similar integration outcomes into four dimensions: (1) integration behaviors of ESG, in which the literature discusses the impact of government regulations, investors, and banks on integration behavior; (2) the advantages of ESG integration for firms and investors; (3) ESG practices, such as an examination of current cases addressing ESG in the business model; and (4) critical views of ESG in the business model. (MDPI, 2023)

Of the remaining two papers, the first examined the integration process based on the SRI view, while the second paper addressed the integration in terms of SD. The latter dealt with a firm integrating the concepts of sustainability and circular economy into its business model through value proposition, value delivery, value creation, and value capture.

Figure 4.2 Integration process

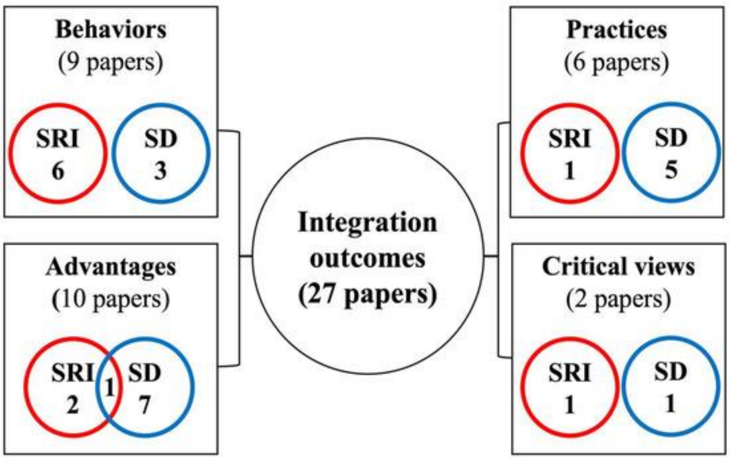


Source: https://www.mdpi.com/2071-1050/14/5/2959, Accessed 21 June 2023;

Figure 4.2 shows the two papers that discussed the ESG integration process. The first deals with the integration process from the SRI perspective and supports the evaluation of the firms' ESG performance through their ESG and business model links. The second discusses sustainability from an SD perspective in terms of the four ESG business model elements, value proposition, creation, delivery, and capture. In this case, the business model fosters sustainability.

4.1 ESG Integration: Outcomes

Figure 4.1.1 Integration outcomes



Source: https://www.mdpi.com/2071-1050/14/5/2959, Accessed 21 June 2023;

Figure 4.1.1 presents the details of their findings on the ESG integration outcomes, they found nine papers related to integration behaviors, ten related to the advantages of ESG integration, six to practices of ESG, and two papers related to critical views.

Limitations and future changes for North Macedonia

ESG practices are still in the early stages of development in Macedonia, the Macedonian government has taken steps to promote sustainability and encourage responsible business practices in the country. In 2020, the government adopted the National Strategy for Sustainable Development, which aims to promote social, economic, and environmental sustainability in the country.

The inclusion of ESG factors in the Corporate Governance Code highlights the importance of responsible corporate governance practices and promotes transparency and accountability among publicly traded companies in Macedonia. However, it is worth noting that not all companies operating in North Macedonia have fully integrated ESG considerations into their corporate culture.

While some companies have embraced sustainability and social responsibility as core values, others have been slower to adapt to these trends. As such, the degree to which ESG factors are integrated into the corporate culture of Macedonian companies can vary widely. Overall, there is growing awareness of the importance of ESG factors in the business community in North Macedonia, and this is reflected in the country's regulatory framework. However, more work may be needed to fully integrate ESG considerations into the corporate culture of all companies operating in the country.

5. CONCLUSION

Companies committed to ESG must thus create a culture and operating system in which ESG goals are prioritized. Leaders can start by: *acknowledging the challenges, modelling the hard tradeoffs, reworking the system* and *empowering decision – makers.*

ESG should be a transformational, change management effort that touches every part of the business. Otherwise, managers will experience confusion over their role in implementing an ESG strategy, teams will continue to operate business as usual and ESG commitments will go unfulfilled. But leaders who commit to reworking norms, cultivating new behaviors and building new processes will create an environment in which ESG becomes part of the culture and a north star that helps orient all decisions. This, in turn, will position their organizations to lead on ESG and take a meaningful role in addressing the biggest environmental and social issues of our time.

The Sustainable Development Goals (SDGs), also known as the Global Goals, were adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity. The 17 SDGs are integrated – they recognize that action in one area will affect outcomes in others, and that development must balance social, economic and environmental sustainability.

ESG sustainability is crucial for businesses as it enhances reputation, attracts socially conscious investors, reduces risks, fosters innovation, and aligns with evolving consumer preferences, driving long-term profitability while contributing to a more sustainable and equitable world. Implementing ESG sustainability requires strategic integration into business operations, utilizing modern technology, engaging stakeholders, and measuring and reporting performance accurately. While challenges may arise, organizations can overcome them through education, communication, and prioritizing sustainable practices.

Sustainable Investing Principles to Enhance North Macedonia's Corporate Sector

The American Chamber of Commerce in North Macedonia (AmCham), supported by the Center for International Private Enterprise, has launched a project aimed at strengthening the role of the country's corporate sector in building a sustainable and resilient society. The project focuses on integrating ESG principles into business strategies and consists of two main pillars: business awareness and education. (AmCham, 2023)

Under the business awareness pillar, activities will include content creation and the development of an ESG booklet. Further, a thematic ESG conference will be organized to promote understanding and share best practices among companies.

The education pillar involves conducting a readiness assessment to evaluate companies' knowledge and preparedness for ESG implementation. This assessment will be followed by the organization of training courses for companies. The training modules will be tailored based on the assessment results, covering topics such as stakeholder analysis, baseline assessment, and reporting requirements.

The project activities are designed to bridge the knowledge gap, raise awareness, and assist companies in implementing ESG practices.

AmCham aims to be a driving force in achieving an ESG and sustainable investment-compliant corporate sector in North Macedonia. The project's specific objectives are to familiarize companies and stakeholders with the concept of ESG and to enhance companies' knowledge and expertise in integrating it into their business strategies. This will increase visibility and understanding of ESG among relevant stakeholders and promote the development of sustainable business models.

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