

Large, abstract geometric shapes in green, orange, and blue, arranged in a dynamic, overlapping pattern across the page.

# ESG CHANGE ROADMAP

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## Introduction

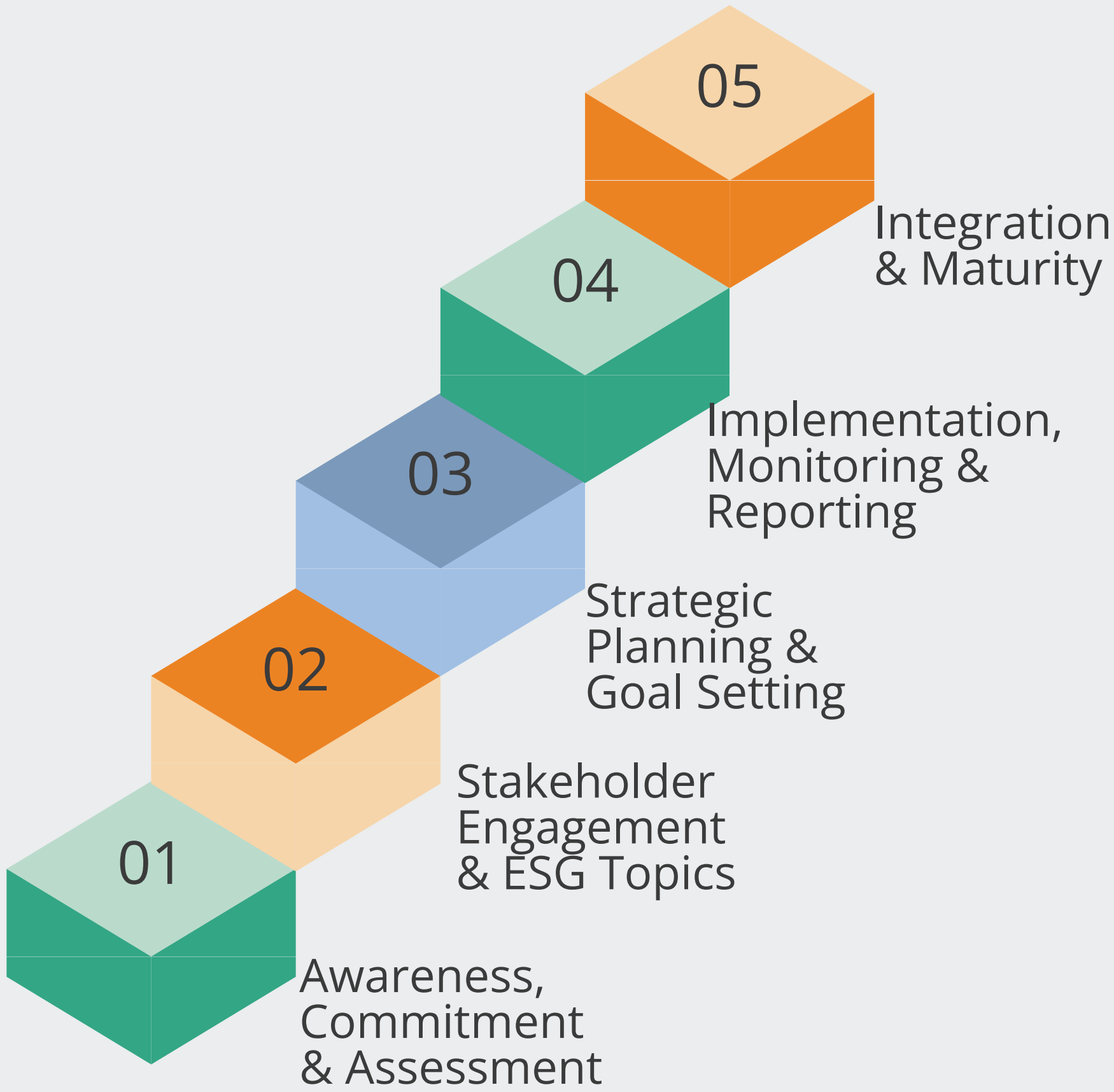
The ESG integration process is an ongoing, continuous cycle that requires regular assessment, adaptation, and improvement.

With each iteration, the company must evaluate its current state by analyzing ESG performance, identifying gaps, and benchmarking against industry best practices; measure progress using key performance indicators (KPIs) to assess the effectiveness of sustainability initiatives and compliance efforts; and refine strategies and make adjustments to ensure alignment with evolving regulations, stakeholder expectations, and long-term corporate objectives.

By embracing this iterative approach, the company can drive the seamless integration of ESG principles into its operations, governance, and corporate culture.

This commitment not only advances the company's ESG vision and mission but also fosters a deeply ingrained sustainability mindset at all levels of the company—ensuring long-term resilience, value creation, and positive environmental and social impact.

# Overview - Infographic



## Step 1 - Awareness, Commitment & Assessment



- DEFINE ESG VISION & POLICY
- LEADERSHIP ENGAGEMENT
- CREATE AN ESG TEAM - DEPARTMENT
- ESG GAP ANALYSIS & BECHMARKING
- ESG REGULATIONS AWARENESS
- TRAINING & AWARENESS
- FOSTER A SUSTAINABILITY/ESG CULTURE

# Step 1 - Awareness, Commitment & Assessment

## TASK

## DESCRIPTION

### Stakeholder Identification & Prioritization

Develop or update the company's ESG policy. Align the policy with international standards (e.g., UN Principles for Responsible Investment, GRI, SASB).

- Recognize that ESG factors are used to evaluate a company's sustainability and ethical impact.
- Create a clear vision statement that reflects the company's long-term commitment to ESG principles.
- The vision should align with the company's values and overall business strategy.
- Create a policy framework that outlines the company's approach to ESG issues.

The ultimate goal is to translate this vision into a structured set of prioritized, tangible actions that drive meaningful progress. By establishing clear objectives, implementing targeted strategies, and fostering a culture of accountability, the company can ensure that ESG principles are not just aspirational but fully integrated into its core operations. This approach will enable ESG to become deeply embedded within the company's decision-making processes, governance structures, and daily practices, ultimately fostering long-term sustainability and resilience.

### Create an ESG Team/ Department

A dedicated team/department with a clear mandate from management is crucial for effectively implementing these regulations across the company. Company structure is a foundational step for successful ESG implementation. Defining roles, responsibilities, and authority early in the process is crucial to gain traction throughout the company, especially with upper management and the board.

The team should be multidisciplinary and all key company departments should be represented (environment, compliance, HR & crew welfare, supply chain/procurement, finance, legal, communications). It is also crucial to encourage cross-departmental communication and collaboration to ensure ESG considerations are embedded.

Create internal ESG task forces to tackle specific initiatives.

Regularly update teams on regulatory changes.

### Leadership Engagement

Secure commitment from top leadership. Form an ESG steering committee with cross-functional representation. Board leadership is crucial for navigating complex trade-offs and ensuring alignment with overall business objectives.

- Understand that prioritizing ESG practices enhances a company's reputation, attracts socially responsible investors, and strengthens relationships with customers and communities.
- Stay ahead of regulatory changes and demonstrate commitment to environmental responsibility by embracing ESG practices.
- Implement robust governance structures, including clear policies, procedures, and accountability mechanisms.

### ESG Gap Analysis and Benchmarking

Conduct a thorough assessment of the current ESG status. Benchmark against industry peers and best practices. Identify key ESG risks and opportunities specific to the company. Voluntary frameworks (such as TCFD, PRI, UNGC, GRI) can act as useful benchmarks to identify gaps, strengths, and opportunities in existing programs.

- Conduct an internal assessment to identify ESG issues that are important.
- Review the company's strategy, operations, and value chain to identify risks and opportunities.
- Understand the broader ESG landscape and identify external factors that may impact the company.
- Evaluate available data and documents related to ESG performance.
- Interview senior leadership to gain insights into the company's visions, missions, strategies, and existing plans.
- Research to benchmark the organization against competitors and industry standards.
- Pinpoint discrepancies between a company's existing data ecosystem and required standards.
- Determine the gaps between the ESG data that the company is already collecting and reporting versus the disclosure requirements.

### ESG Regulations Awareness

Having awareness of ESG regulations is crucial because it directly impacts on the company's compliance, risk management, and commercial differentiation. Staying informed ensures that shipping companies can adapt to new standards (IMO, EU). Being proactive helps in avoiding penalties and maintaining operational licenses, and enhances the company's reputation, attracting investors and stakeholders.

- Research global, regional, and national ESG regulations impacting the industry.
  - Appoint an ESG compliance officer or task force to monitor regulatory changes.
- Subscribe to industry newsletters, regulatory updates, maritime ESG publications, collaborate with industry associations for insights and updates, and participate in industry forums, regulatory meetings, and maritime ESG conferences.

### Training & Awareness

Implement company-wide training programs to build awareness and understanding of ESG principles. Integrate ESG goals into employee performance metrics.

- Develop ESG training sessions for executives, fleet managers, and crew members.
  - Offer customized learning modules covering regulatory requirements, compliance obligations, and best practices.
  - Utilize e-learning platforms, workshops, and real-world case studies to enhance engagement.
  - Leverage industry experts and external partnerships
  - Implement continuous ESG awareness campaigns (e.g., ESG newsletters, organize ESG days/weeks, use digital dashboards and posters) - Integrate ESG training into onboarding and career development.
- Foster a culture of ESG accountability (e.g., encourage employee-led ESG initiatives, recognize and rewards teams that contribute to ESG goals, ensure leadership actively promotes ESG policies).

### Foster a Sustainability/ ESG Culture

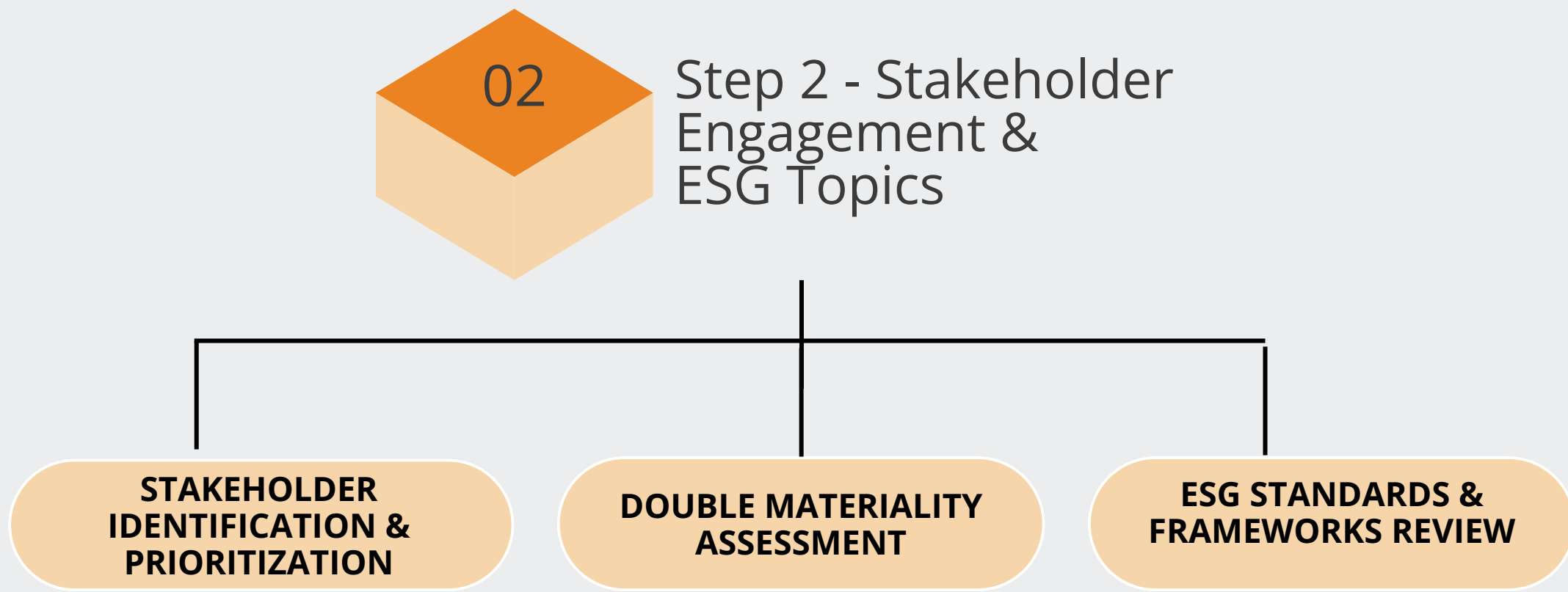
Creating a strong sustainability and ESG culture within a shipping company requires a holistic approach that integrates environmental responsibility, social well-being, and ethical governance into everyday operations. A truly embedded ESG culture goes beyond compliance—it becomes a core company value, influencing decision-making at all levels. Leadership must set the tone by demonstrating a commitment to sustainability through policies, investments, and transparent reporting. Employees, from crew members to executives, should be actively engaged through education, training, and incentives that encourage responsible practices such as fuel efficiency, waste reduction, and fair labor conditions.

Additionally, fostering collaboration with stakeholders—including suppliers, investors, and regulatory bodies—ensures that sustainability efforts extend beyond internal operations. By continuously assessing performance, embracing innovation, and promoting open dialogue, a shipping company can build a resilient ESG culture that not only mitigates risks but also enhances long-term profitability, regulatory compliance, and global reputation.

# ESG Roadmap Tool #1: How to Assess your Company's Readiness

Assessment of Awareness for the Need for Change	YES	NO	PARTIALLY
Does your team or does your stakeholder understand the problems inherent in the current situation?			
Does your team or does your stakeholder understand the opportunities that are being missed if the change doesn't happen?			
Does your team or does your stakeholder understand what is trying to be achieved?			
Does your team or does your stakeholder understand how things will be better?			
Does your team or does your stakeholder understand how the change will impact their areas of work?			
Does your team or does your stakeholder understand what their role will be in the future state?			
Assessment of Desire to Change			
Does your team or does your stakeholder know that management is aligned with the change efforts?			
Does your team or does your stakeholder feel their concerns, questions, and need are being heard?			
Does your team or does your stakeholder feel hopeful about the future?			
Does your team or does your stakeholder see value in the change?			
Does your team or does your stakeholder believe a well thought out strategy is being put in place to achieve the change?			
Assessment of Knowledge to Implement Change			
Does your team or does your stakeholder have the necessary information, knowledge and skills to successfully fulfill their role?			
Does your team or does your stakeholder know where to go for additional information about the change?			
Does your team or does your stakeholder know what success looks like?			
Does your team or does your stakeholder have a plan to achieve success?			
Does your team or does your stakeholder know which behavior will need to change?			
Assessment of Ability to Change			
Does your team or does your stakeholder believe that the company has provided appropriate resources to support the anticipated change?			
Does your team or does your stakeholder have the necessary systems, processes, and policies in place?			
Does your team or does your stakeholder have the ability to execute the new behaviors required for the change?			
Does your team or does your stakeholder know how to perform the required tasks?			
Assessment of Resources for Change			
Does your team or does your stakeholder view management as a resource for removing/overcoming barriers?			
Does your team or does your stakeholder have mechanisms in place to reinforce the required behaviors?			
Does your team or does your stakeholder have metrics in place to assess the ongoing effectiveness of the change?			

## Step 2 – Stakeholder Engagement, Material ESG Topics & ESG Standards Review



## Step 2 – Stakeholder Engagement, Material ESG Topics & ESG Standards Review

TASK	DESCRIPTION
<b>Stakeholder Identification &amp; Prioritization</b>	<p>Consider broader stakeholder expectations. Consider stakeholder that can exert influence or pressure on your change, those responsible for creating your change, those who can choose to use or not use the results of your change, and those who will ultimately benefit from the work of your change. Ensure ESG Strategy aligns with stakeholder interests and expectations.</p> <ul style="list-style-type: none"> <li>-Identify key ESG stakeholders (internal, external).</li> <li>-Map stakeholders based on interest and influence.</li> <li>-Understand stakeholder expectations and ESG concerns.</li> <li>-Develop tailored ESG engagement strategies.</li> <li>-Establish regular stakeholder communication channels.</li> <li>-Integrate stakeholder feedback into ESG Strategy</li> <li>-Foster a long-term ESG stakeholder engagement culture.</li> </ul>
<b>Double Materiality Assessment</b>	<p>Double materiality considers both financial materiality (how ESG factors impact the company) and impact materiality (how the company affects the environment and society). Engage stakeholders in the assessment process to ensure relevance.</p> <ul style="list-style-type: none"> <li>-Determine the ESG factors most relevant to the shipping industry and align the assessment with global ESG Standards.</li> <li>-Conduct an initial ESG risk and opportunity analysis to list potential material topics.</li> <li>-Engage internal and external stakeholders (survey, workshops, interviews).</li> <li>-Evaluate how ESG factors impact financial performance and risk exposure (regulatory risk, market risks, operational risks, reputational risks).</li> <li>-Asses how the company's operations impact society and the environment.</li> <li>-Create a double materiality matrix.</li> <li>-Review and update the materiality assessment periodically</li> <li>-Foster continuous stakeholder engagement and awareness.</li> </ul>
<b>ESG Standards &amp; Frameworks Review</b>	<p>ESG reporting standards are sets of guidance companies use to disclose data on their business operations related to ESG aspects. ESG standards are detailed, measurable, and specific requirements that guide disclosure to a given reporting framework.</p> <p><b>Consider the following:</b></p> <ul style="list-style-type: none"> <li>-Global Reporting Initiative (GRI) Standards</li> <li>-Sustainability Standards Accounting Board (SASB) Standards</li> <li>-European Sustainability Reporting Standards (ESRS) for Corporate Sustainability Reporting Directive (CSRD) Compliance</li> <li>-Task Force on Climate-related Financial Disclosures (TCFD)</li> <li>-IMO GHG Strategy</li> <li>-UN Global Compact</li> <li>-UN Sustainable Development Goals</li> </ul>

## ESG Roadmap Tool#2: Identifying Stakeholders



### Allies:

share your vision and want it to succeed in a way that they can support, treat as if they are part of your company (as members of your team), will provide critical resources/information/expertise.



### Fellow Travelers

aligned with your vision/goals/objectives but trust is not mutual, may have a vested interest in the outcome, may want to provide input.



### Opponents

have conflicting visions/goals/methods and share an honest/high-trust relationship, may challenge your efforts, resulting in more effective strategies, may provide critical resources/information/expertise.



### Adversaries Goal:

people with whom building agreements and developing trust have failed, have questions/reservation/concerns and are actively resisting the change



### Neutrals Goal:

unknown agreement/trust, cautious, non-committal, or unaware.

## ESG Roadmap Tool#3: Stakeholder Engagement Goals per Stakeholder Category



### Allies Goal: Affirm agreement

- Reaffirm the quality of the relationship
- Acknowledge any doubts and vulnerability you have with respect to your vision and project.
- Discuss their issues or concerns with your project.
- Ask them for advice and support.
- Achieve understanding of their role and responsibilities.
- Confirm their commitment to support the project.



### Fellow Travelers Goal Build Trust

- Reaffirm agreement by reiterating the value and importance of their support of your project.
- Acknowledge any caution that exists.
- Make it clear you are not expecting them to get actively involved.
- Ask them how they would like to be updated on the project going forward.



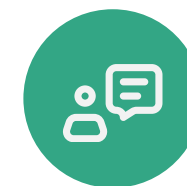
### Opponents Goal: Build Agreement

- Reaffirm the quality of the relationship.
- Identify their particular skills and talents and how these connect to your project.
- State your position (case and vision for change, benefits to them).
- State what you think their position is in a neutral way.
- Extend a personal invitation for them to get involved with your project.
- Engage in problem-solving so that you build something together
- Confirm their commitment to support your project.



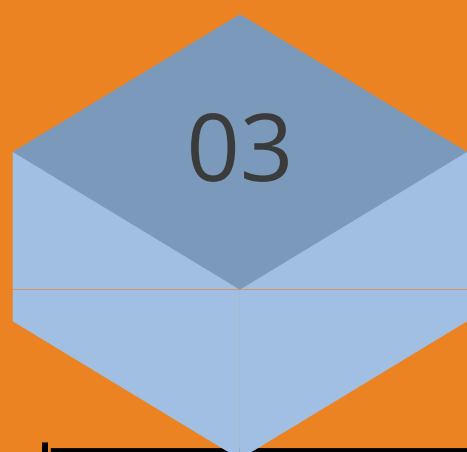
### Adversaries Goal: Minimize Threat to ESG Integration

- Estimate the impact on your project if this person is not on board.
- Identify individuals who can educate you about this person, their issues and concerns.
- State your position (case and vision for change, benefits to them).
- Ask questions that respectfully uncover root cause of their resistance.
- State what you think their position is in a neutral way.
- Identify your own contribution to the lack of trust that exists.
- End the meeting with your plans and no demands.
- If you are going to go around them or over them, tell them your plans.
- Let go; the more you try to convert and pressure them, the more entrenched they will become in their position.



### Neutrals Goal: Educate and Determine their Position

- State your position (case and vision for change, benefits to them).
- Ask where they stand.
- Ask what it would take for them to support your project.
- Extend a personal invitation for them to get involved with your project.

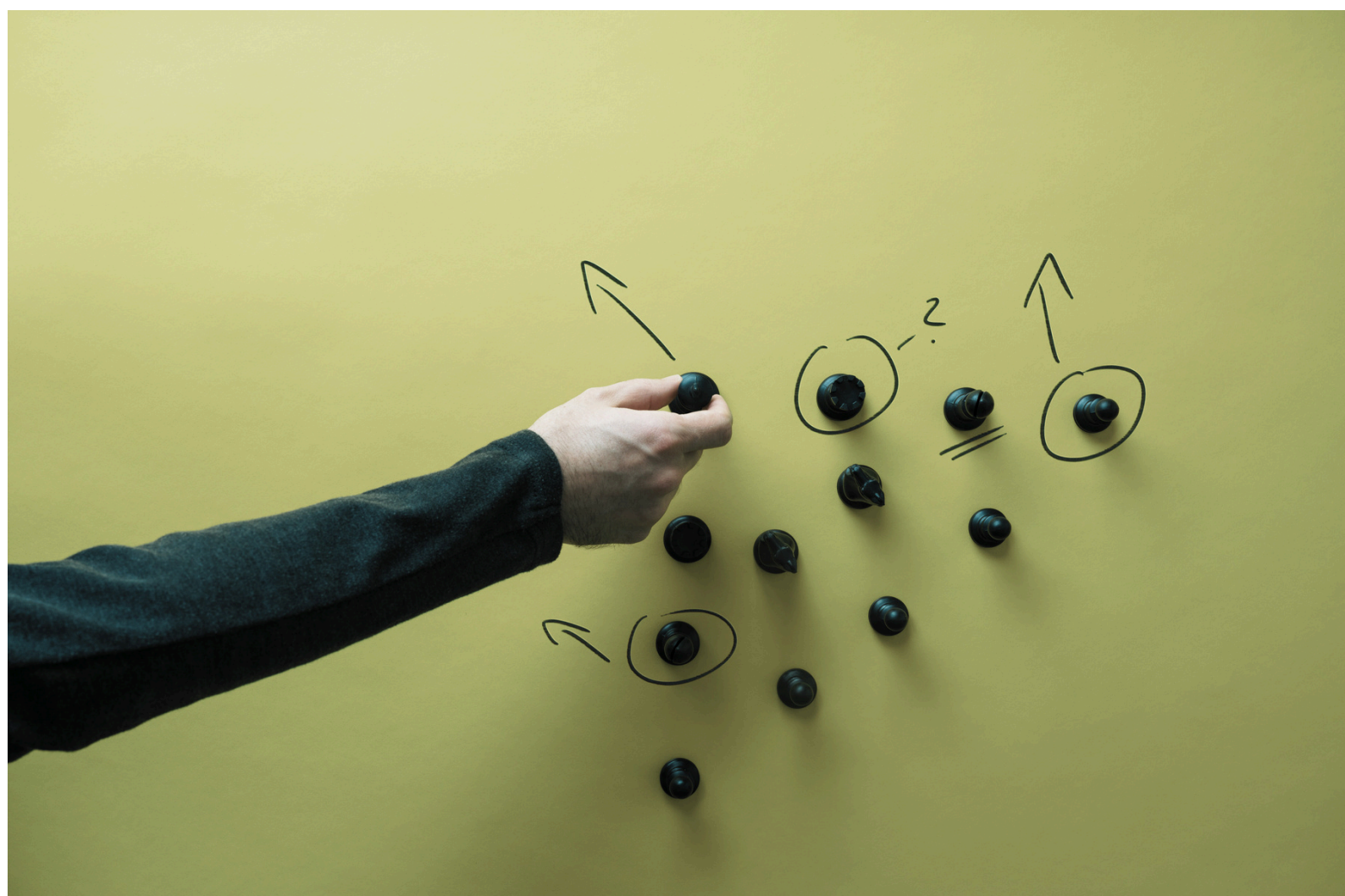


### Step 3 - Strategic Planning & Goal Setting



## Step 3 – Strategic Planning & Goal Setting

TASK	DESCRIPTION
<b>ESG Strategy Development</b>	<p>An ESG Strategy is based on the results and outcomes of the previous steps. The key elements of an ESG Strategy are the results of the double materiality assessment, the definition of a clear ESG vision that aligns with the company's purpose and values, the assignment of ESG oversight at the board level, the development of ESG policies, and stakeholder engagement.</p> <p>In order to ensure integration and alignment with the company's business strategy, you need to identify ESG opportunities that drive finance performance (e.g., cost savings through efficiency), to incorporate ESG criteria into capital allocation, procurement, and R&amp;D, to break down silos by involving finance, legal, HR, supply chain, and operations in ESG strategy execution, to develop a compelling ESG story that resonates with stakeholders, and to regularly review ESG performance and adjust strategy based on new risks, opportunities, and regulatory changes.</p>
<b>ESG Target Setting</b>	<p>ESG goals need to be Specific, Measurable, Achievable, Relevant, and Time-bound (SMART). SMART targets ensure accountability while aligning with global standards like the UN SDGs or Science-based Targets.</p> <p>Break these goals into measurable key performance indicators (KPIs) to track progress. KPIs provide clarity in what success looks like and help demonstrate accountability.</p>
<b>Resource Allocation</b>	<p>Allocate necessary resources (financial, human, technological) to support ESG initiatives. Identify potential funding opportunities (e.g., green bonds, sustainability-linked loans). To allocate resources efficiently assemble a multi-disciplinary team, develop an initiative roadmap, take into consideration the current ESG state, and seek external advice.</p>



## ESG Roadmap Tool#4: Developing Goals

<p><b>Are the ESG goals specific?</b> Clearly define goals relevant to maritime operations and results of materiality assessment (e.g., reduce fuel consumption, increase the use of alternative fuels, improve supply chain sustainability)</p>	
<p><b>Are the goals measurable with clear metrics?</b> Establish quantifiable KPIs (e.g., fuel efficiency improvements, reduction of sulfur emissions, percentage of waste recycled onboard).</p>	
<p><b>Are the goals achievable given current technology and regulations?</b> Ensure targets are realistic based on available technologies (e.g., LNH-powered vessels, wind-assisted propulsion) and evolving regulations.</p>	
<p><b>Are the goals relevant to the shipping industry's sustainability challenges?</b> Align goals with key industry concerns (e.g., reducing ballast water pollution, improving crew well-being, enhancing energy-efficient shipping routes).</p>	
<p><b>Are the goals time-bound with clear deadlines?</b> Set specific timeframes for achieving milestones (e.g., compliance with the IMO 2050 decarbonization strategy, implementing green shipping corridors by 2035).</p>	
<p><b>Are there clear accountabilities for ESG initiatives?</b> Assign responsibility to sustainability officers, fleet managers, and operational teams to oversee implementation and ensure accountability at all levels.</p>	
<p><b>Have the ESG goals been benchmarked against global maritime standards?</b> Compare goals with industry's best practices (e.g. Poseidon Principles, Clean Cargo Working Group standards, EU ETS).</p>	
<p><b>Has a monitoring and reporting process been set up?</b> Define how ESG progress will be tracked (e.g., carbon intensity reporting, digital fleet performance analytics, third-party audits).</p>	
<p><b>Have potential risks and barriers been considered?</b> Identify challenges (e.g., high costs of alternative fuels, lack of port infrastructure for green shipping, potential supply chain disruptions) and develop mitigation strategies</p>	
<p><b>Is there a plan for continuous improvement and industry collaboration?</b> Engage with regulatory bodies, shipping alliances, and customers to refine ESG goals, adopt emerging technologies, and drive industry-wide change.</p>	



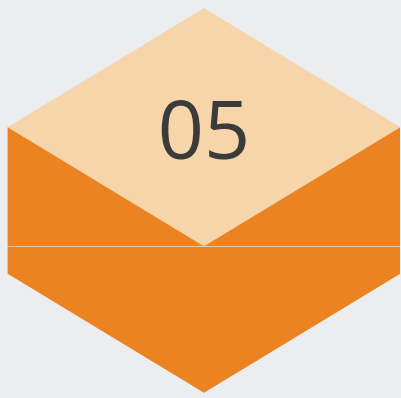
## Step 4 – Implementation, Monitoring & Reporting

TASK	DESCRIPTION
<b>ESG Strategy Implementation</b>	<p>Position the company as an ESG leader in its industry. Participate in industry forums, conferences, and working groups to share best practices.</p> <p>Define the company's long-term ESG vision beyond step 5. Establish a legacy of sustainability and social responsibility that endures.</p>
<b>ESG Reporting</b>	<p>Begin external sustainability reporting using recognized frameworks (e.g., GRI, SASB, TCFD). Ensure transparency and accuracy in ESG disclosures.</p> <p>ESG Reporting Standards and Frameworks: GRI Standards, SASB, TCFD, ISSB Standards, CDP, ESRS, UNGC, UN SDGs, Greenhouse Gas (GHG) Protocol.</p>
<b>ESG Communication</b>	<p>Implement ESG criteria in suppliers' selection and management. Engage suppliers in sustainability initiatives and monitor their ESG performance.</p> <ul style="list-style-type: none"> <li>-Develop a sustainable procurement policy aligned with international frameworks.</li> <li>-Develop a supplier code of conduct.</li> <li>-Conduct ESG risk assessments for suppliers.</li> <li>-Engage suppliers in ESG training programs.</li> <li>-Develop partnerships with green technology suppliers</li> <li>-Implement digital ESG dashboards to track supply chain sustainability.</li> </ul>
<b>ESG KPI, Goal &amp; Performance Review</b>	<p>Transparency is critical for building trust with stakeholders and maintaining accountability. Communicate internally and externally.</p> <p><b>Examples of internal communication:</b> educate employees about ESG strategy/goals and how they can contribute, highlight progress regularly through company meetings, newsletter, or intranet.</p> <p><b>Examples of external communication:</b> annual ESG Report, website and social media channels to share updates, successes, and challenges.</p> <p>Seek feedback for improvement.</p>
<b>ESG Ratings</b>	<p>Regularly monitor progress, evaluate performance against KPIs, and adapt to changes in regulations or stakeholder expectations.</p> <p>Begin regular internal reporting on ESG metrics and progress towards targets.</p> <p>Use dashboards or software to visualize data and progress in real-time.</p> <p>Actively seek input from stakeholders and adjust strategy to address emerging concerns or priorities.</p> <p>By staying flexible and proactive, the company can ensure its ESG strategy remains impactful, credible, and aligned with evolving expectations.</p>

# ESG Roadmap Tool#5: Overview of ESG Reporting Standards and Frameworks

TASK	DESCRIPTION
<b>Global Reporting Initiative (GRI)</b>	<ul style="list-style-type: none"> <li>-One of the most widely adopted sustainability reporting standards</li> <li>-Provides a comprehensive framework for reporting ESG impacts.</li> <li>-Used by companies of all sizes and industries worldwide</li> <li>-Most useful for: sustainability reporting</li> </ul>
<b>Sustainability Accounting Standards Board (SASB)</b>	<ul style="list-style-type: none"> <li>-Industry specific standards covering 77 industries to identify financial material ESG factors.</li> <li>-Focuses on ESG issues that affect financial performance and investor decision-making.</li> <li>-Now integrated into the International Financial Reporting Standards (IFRS) Foundation under the ISSB.</li> <li>-Most useful for: Investors</li> </ul>
<b>Task Force on Climate-related Financial Disclosures (TCFD)</b>	<ul style="list-style-type: none"> <li>-Developed by the Financial Stability Board (FSB) to enhance climate-related financial risk disclosures.</li> <li>-Focuses on governance, strategy, risk management, and metrics/targets for climate risks.</li> <li>-Increasingly mandated by regulators</li> <li>-Most useful for: Investors, Carbon Emissions</li> </ul>
<b>International Sustainability Standards Board (ISSB) Standards</b>	<ul style="list-style-type: none"> <li>-Introduced by the IFRS Foundation, consolidating SASB and TCFD guidance.</li> <li>-Includes IFRS S1 (general sustainability-related disclosures) and IFRS S2 (climate disclosures)</li> <li>-Expected to become a global baseline for ESG Reporting.</li> <li>-Most useful for: Investors</li> </ul>
<b>CDP</b>	<ul style="list-style-type: none"> <li>-A nonprofit that collects and scores climate, water, and forestry disclosures.</li> <li>-Aligns with TCFD and used by investors to assess corporate environmental impact.</li> <li>-Most useful for: Investors, Carbon Emissions</li> </ul>
<b>European Sustainability Reporting Standards (ESRS)</b>	<ul style="list-style-type: none"> <li>-Part of the Corporate Sustainability Reporting Directive (CSRD) in the EU</li> <li>-Required detailed, mandatory ESG disclosures for companies operating in the EU.</li> <li>-Aligns with GRI, TCFD, and ISSB frameworks.</li> <li>-Most useful for: Sustainability Reporting (for EU)</li> </ul>
<b>United Nations Global Compact (UNGC) and Sustainable Development Goals (SDGs)</b>	<ul style="list-style-type: none"> <li>-A voluntary initiative encouraging companies to align with 10 principles on human rights, labor, environment, and anti-corruption (UNGC)</li> <li>-Many companies align ESG strategies with the 17 UN SDGs.</li> </ul>
<b>The Greenhouse Gas (GHG) Protocol</b>	<ul style="list-style-type: none"> <li>-The most widely used framework for measuring and reporting GHG emissions. - Covers Scope 1, Scope 2, and Scope 3 emissions reporting.</li> <li>- Most useful for: Carbon Emissions</li> </ul>

# Step 5 – Integration & Maturity



## Step 5 Integration & Maturity

- LEADERSHIP POSITIONING
- OPERATIONAL INTEGRATION
- CREATE AN ESG TEAM - DEPARTMENT
- SUPPLY CHAIN MANAGEMENT
- INNOVATION
- OPERATIONAL INTEGRATION



## Step 5 – Integration & Maturity

TASK	DESCRIPTION
<b>Leadership Positioning</b>	<p>Position the company as an ESG leader in its industry. Participate in industry forums, conferences, and working groups to share best practices.</p> <p>Define the company’s long-term ESG vision beyond step 5. Establish a legacy of sustainability and social responsibility that endures.</p>
<b>Operational Integration</b>	<p>Roll out ESG initiatives across the company. Ensure that ESG goals are embedded into daily operations and decision-making processes. Integrate ESG considerations into core business processes (e.g., procurement, risk management, product development). Begin embedding ESG criteria into decision-making frameworks.</p>
<b>Supply Chain Management</b>	<p>Implement ESG criteria in suppliers’ selection and management. Engage suppliers in sustainability initiatives and monitor their ESG performance.</p> <ul style="list-style-type: none"> <li>-Develop a sustainable procurement policy aligned with international frameworks.</li> <li>-Develop a supplier code of conduct.</li> <li>-Conduct ESG risk assessments for suppliers.</li> <li>-Engage suppliers in ESG training programs.</li> <li>-Develop partnerships with green technology suppliers</li> <li>-Implement digital ESG dashboards to track supply chain sustainability.</li> </ul>
<b>Innovation</b>	<p>Develop and launch products and services that meet ESG criteria. Focus on innovation that reduces environmental impact and enhances social value. Invest in ESG-driven innovation for long-term competitiveness. Explore emerging trends and technologies that can enhance ESG performance.</p>
<b>ESG Ratings</b>	<p>ESG Ratings play a critical role in assessing performance and the company’s appeal to investors, stakeholders, and regulators. ESG Ratings influence financial performance, brand reputation, and regulatory compliance. Companies must understand and improve ESG Ratings.</p> <p><b>Key actions:</b></p> <ul style="list-style-type: none"> <li>-Research and compare ESG rating agencies to understand their evaluation criteria.</li> <li>-Maintain open communication with agencies to clarify reporting metrics and address discrepancies.</li> <li>-Understand which ESG ratings are best fitting the company’s ESG maturity, strategy, goals, and sector.</li> </ul> <p><b>ESG Ratings:</b> MSCI, Sustainalytics, S&amp;P Corporate Sustainability Assessment, CDP, Moody’s ESG Solutions, ISS ESG Ratings, Bloomberg ESG Scores, Refinitiv ESG Scores.</p>
<b>Third-parties Audits and Certifications</b>	<p>Engage third parties for ESG audits and assessments. Pursue relevant certifications (e.g., ISO14001, B Corp) to validate ESG efforts.</p>

## ESG Roadmap Tool#6: Overview of ESG Ratings

<p><b>MSCI ESG Ratings</b></p>	<ul style="list-style-type: none"> <li>- Provided by MSCI (Morgan Stanley Capital International).</li> <li>- Scores companies from CCC (laggard) to AAA (leader).</li> <li>- Evaluates ESG risk exposure and management compared to industry peers.</li> <li>- Can companies ask to be rated: NO</li> <li>- <b>Questionnaire: NO</b></li> </ul>
<p><b>Sustainalytics ESG Risk Ratings</b></p>	<ul style="list-style-type: none"> <li>- A Morningstar Company that assesses ESG Risk.</li> <li>- Rates companies on a scale from negligible (0-10) to severe (40+) risk.</li> <li>- Focuses on how ESG factors impact a company's financial performance.</li> <li>- Can companies ask to be rated: YES</li> <li>- <b>Questionnaire: NO</b></li> </ul>
<p><b>S&amp;P Global ESG Scores</b></p>	<ul style="list-style-type: none"> <li>- Developed by S&amp;P Global (formerly RobecoSAM).</li> <li>- Based on Corporate Sustainability Assessment, analyzing ESG disclosures and performance.</li> <li>- Score companies on a 0-100 scale.</li> <li>- Can companies ask to be rated: YES</li> <li>- <b>Questionnaire: YES</b></li> </ul>
<p><b>ISS ESG Ratings</b></p>	<ul style="list-style-type: none"> <li>- Provided by Institutional Shareholder Services (ISS).</li> <li>- Scores companies based on sector-specific ESG risks and opportunities.</li> <li>- Also includes Governance Quality Score and Carbon Risk Rating</li> <li>- Can companies ask to be rated: YES</li> <li>- <b>Questionnaire: YES</b></li> </ul>
<p><b>CDP Scores</b></p>	<ul style="list-style-type: none"> <li>- Focuses on climate change, water security, and deforestation.</li> <li>- Companies are rated from A (leadership) to F (failure to disclose).</li> <li>- Used widely by investors for assessing climate-related risks</li> <li>- Can companies ask to be rated: YES</li> <li>- <b>Questionnaire: YES</b></li> </ul>
<p><b>Bloomberg ESG Disclosure Scores</b></p>	<ul style="list-style-type: none"> <li>- Rates companies based on publicly disclosed EG data.</li> <li>- Evaluates transparency rather than performance.</li> <li>- Can companies ask to be rated: NO</li> <li>- <b>Questionnaire: NO (publicly available data)</b></li> </ul>
<p><b>Refinitiv ESG Scores</b></p>	<ul style="list-style-type: none"> <li>- Formerly Thomson Reuters ESG Scores.</li> <li>- Based on over 450 ESG metrics, evaluating transparency and commitment.</li> <li>- Scores companies from 0 to 100.</li> <li>- Can companies ask to be rated: NO</li> <li>- <b>Questionnaire: NO</b></li> </ul>

## ESG Roadmap Tool#7: ESG Change Management Roadmap Checklist

<p><b>What is the change?</b> What type of change are you implementing, and what is its purpose?</p>	<input type="checkbox"/>
<p><b>Why is this change necessary?</b> What factors are driving this change, and what risks exist if no action is taken?</p>	<input type="checkbox"/>
<p><b>What is the current state, and what opportunities are being overlooked?</b> How does the current situation compare to the desired outcome?</p>	<input type="checkbox"/>
<p><b>What are the expected benefits and success criteria?</b> What does success look like, and how will the change improve the company?</p>	<input type="checkbox"/>
<p><b>Who is responsible for overseeing, sponsoring, and implementing the change?</b> What are the roles of the change management team, executive sponsors, and key stakeholders?</p>	<input type="checkbox"/>
<p><b>How will the change be introduced?</b> Will the rollout be phased or a big-bang approach, and what has worked in the past rollouts?</p>	<input type="checkbox"/>
<p><b>What training and resources are needed?</b> Who will develop and deliver training, and what formats will be used?</p>	<input type="checkbox"/>
<p><b>How will the change be communicated?</b> What messaging strategies will be used, who will deliver them, and how will resistance be addressed?</p>	<input type="checkbox"/>
<p><b>How will you measure success and track adoption?</b> What key metrics will be monitored, how often, and who will receive reports?</p>	<input type="checkbox"/>

## ESG Roadmap Tool#8: ESG Sponsor Responsibilities Checklist

<b>Align with strategic objectives</b> and ensure project goals support the company's broader vision.	<input type="checkbox"/>
<b>Delegate decision-making authority</b> as needed to facilitate iterative processes.	<input type="checkbox"/>
<b>Evaluate company readiness</b> by reviewing existing commitments and ESG initiatives.	<input type="checkbox"/>
<b>Establish and lead a steering committee or dedicated project team</b> to drive implementation.	<input type="checkbox"/>
<b>Regularly communicate project benefits</b> to key stakeholders to ensure awareness and engagement.	<input type="checkbox"/>
<b>Share key milestones and updates</b> with impacted stakeholders and departments.	<input type="checkbox"/>
<b>Authorize decision-making delegation</b> to ensure efficient progress and adaptability.	<input type="checkbox"/>
<b>Act as the primary contact for escalated issues</b> to resolve challenges promptly.	<input type="checkbox"/>
<b>Approve the Project Plan and secure necessary resources</b> to support implementation.	<input type="checkbox"/>
<b>Participate in status updates</b> to monitor progress, provide feedback, and prevent scope creep.	<input type="checkbox"/>
<b>Recognize and celebrate key milestones</b> with the project team to maintain motivation and momentum.	<input type="checkbox"/>

