



Sustainable Development and ESG Analysis



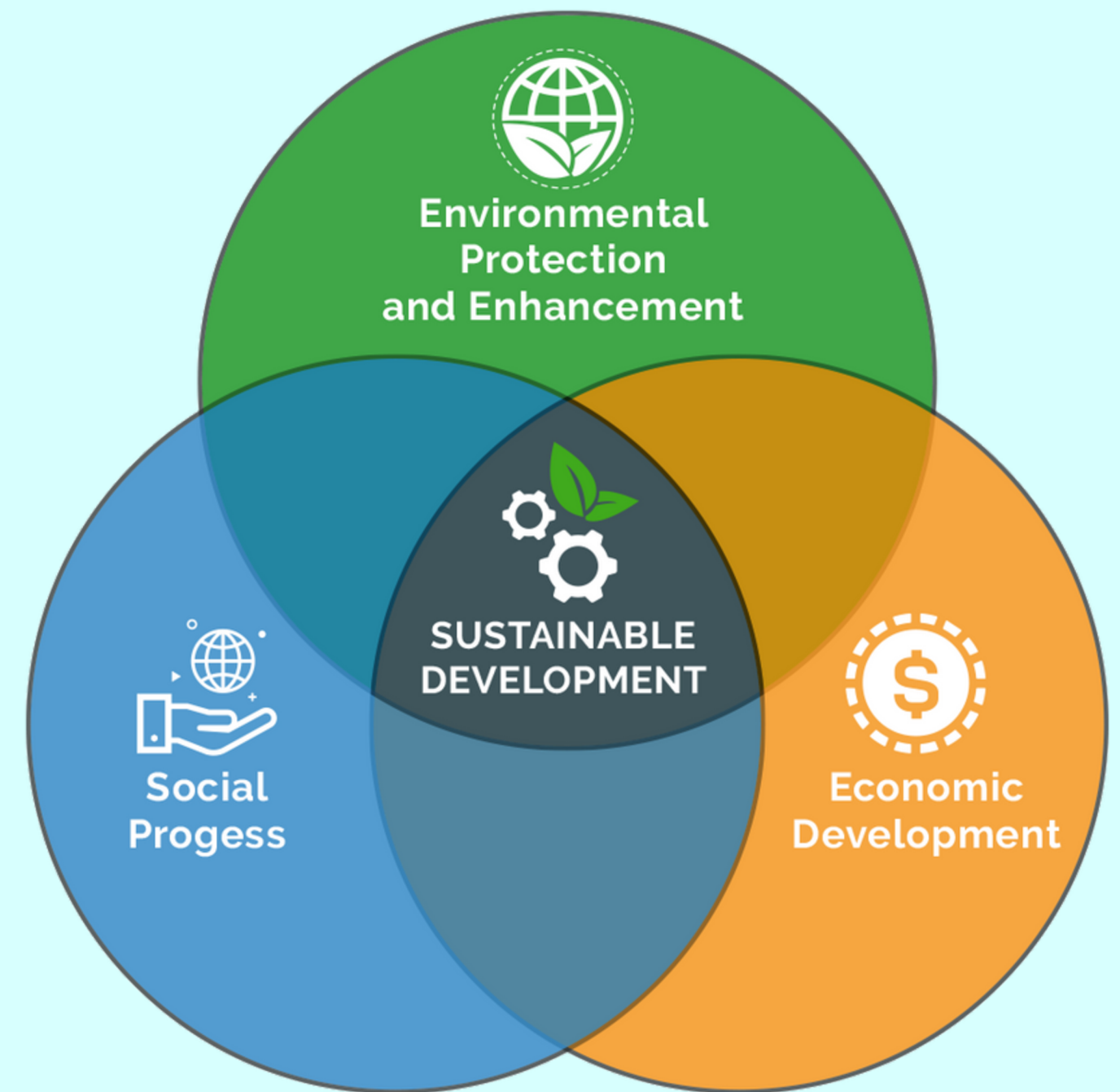
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Sustainable Development

Sustainable development is a way of operating that enables companies and society to grow while taking care of the environment, the economy, and people at the same time. This means that businesses can expand and make profits without harming nature or local communities. In practice, it involves saving resources, reducing waste, using renewable energy sources, and treating employees and customers fairly.



ESG: Environment, Social, Governance

ESG is a concept that refers to three key areas companies must consider in order to operate responsibly and sustainably. The term is often used in the context of socially responsible investing, as well as in assessing the risks and impacts businesses have on their surroundings. ESG serves as a foundation for analyzing and reporting on sustainable development.



Environment

This pillar covers a company's efforts to protect the environment, such as reducing CO₂ emissions, managing resources sustainably, saving energy, or implementing a Circular Economy approach. Through these actions, companies can reduce their carbon footprint, lower operational costs, and prepare for future climate regulations.



Social

This pillar refers to a company's impact on employees, communities, and customers. It includes issues such as human rights, working conditions, diversity and inclusion, safety, and social responsibility. Companies that care for their employees and maintain strong relationships with local communities build loyalty and trust, which positively influences long-term development.



Governance

This pillar covers aspects of corporate management such as transparency, business ethics, anti-corruption measures, and risk management. Companies that implement good governance practices are more resilient to risk and build a reputation as ethical and trustworthy organizations.



What does an ESG report include?

- Analysis of risks from the perspective of material impact on the environment and society, as well as financial materiality;
- A statement regarding due diligence in the area of sustainable development;
- Oversight of sustainability issues by the company's management bodies;
- A description of the company's strategy and business model in relation to material impacts, risks, and opportunities connected with sustainability;
- Company policies and action plans concerning sustainability matters;
- Disclosure of relevant goals and key performance indicators (KPIs) related to the company's sustainability areas.

PRACTICAL ACTIVITY

THE TRUTH ABOUT YOUR BRAND

Search for information about the brand on its official website or in its ESG reports:

- Does the brand clearly disclose its suppliers and production locations? Describe.
- How are the working conditions at the suppliers evaluated?
- Does the brand take specific actions to protect the environment?
- Does the brand hold any environmental or social certifications? If yes, which ones?
- How is the brand rated in terms of transparency?