

INTERNAL DOCUMENT FOR GZS







PARK

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25 years of Empowering design leaders

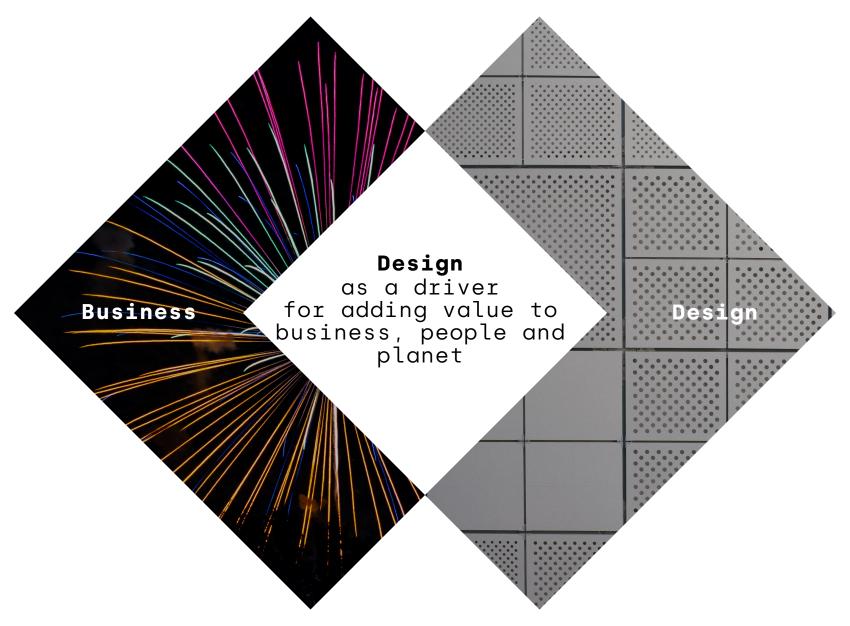
Since 1998 we've been building and scaling design capabilities for organisations and people that want to create a better tomorrow.

We have a team of **14 consultants, coaches and tutors** in EU and USA.

MSc MBA Frans Joziasse - co-founding director of PARK (former owner), consultant, coach and tutor







Case Study / Airbus GSE

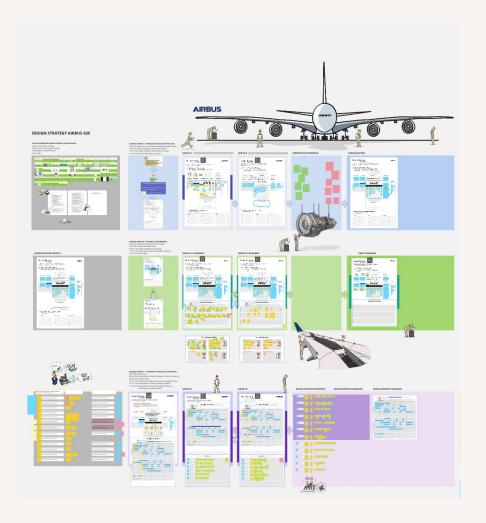
Design to Value Strategy

In 2018 PARK established a D4V network in Airbus GSE.

PARK Academy did train the D4V Champions in the area of Design Strategy and Design Leadership, followed by a set of **Design Strategy workshops**.

The result were 8 workstreams with clear KPI's that have to contribute to Airbus GSE's new corporate objectives.

GSE design offices in EU and India prototyped together with PARK the development of Design for Sustainability Guidelines in 2021 / 2022.



Case Study / Airbus GSE

Design to Value Strategy

In 2022 Airbus decided to roll out the D4V Design Strategy and guidelines on a global level across all aircraft programmes.

Projected reductions of CO2, energy, water levels between 25-60%.

Major **cost savings**, **quality improvements** and **better collaboration** between Airbus GSE and their suppliers have been achieved.

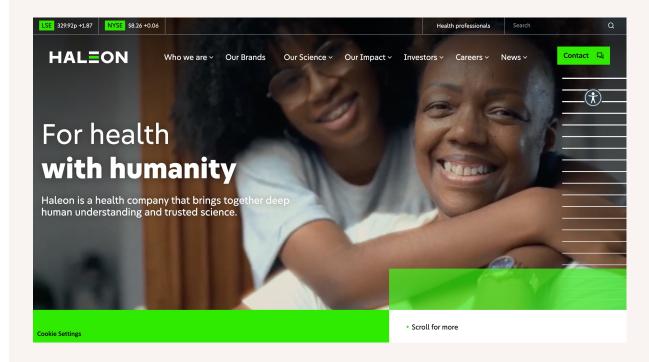


Case Study / Haleon (formerly GSK CH)

Health with humanity

In 2022 Haleon listed on London stock exchange with a new ambition to become the world-leading consumer health company with a clear purpose to deliver better everyday health with humanity.

Haleon's competitive advantage is derived from combining deep human understanding with trusted science.



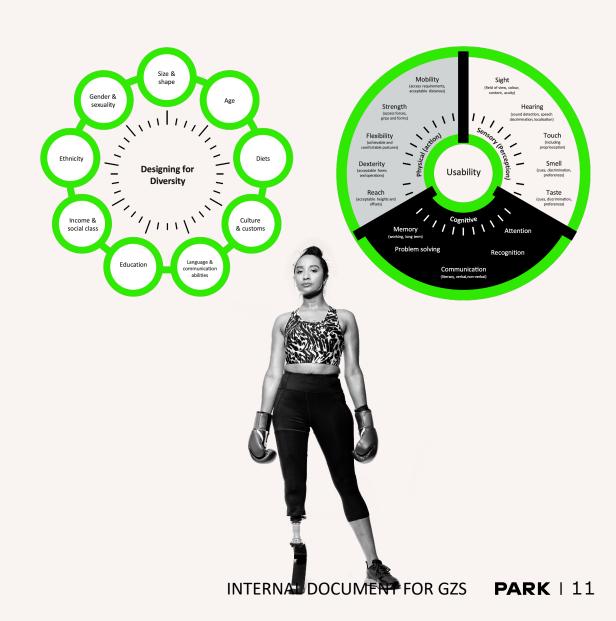
Case Study / Haleon (formerly GSK CH)

Design for inclusivity

Haleon invest in a suite of proprietary assets to generate deep human understanding to support brand innovation and enhance the engagement with health professionals to educate consumers.

This includes dedicated shopper research centres, consumer knowledge and social listening, designed to generate and test new insights and identify consumer needs.

Inclusive design is one of the pillars for Haleon's Front End Innovation (FEI) activities and future category growth.



Case Study / Elan (part of KJK Sports)

Sustainability Innovation & Strategy

Sustainability is in the DNA and Mission of Elan.

Within KJK Sports, Elan is driving innovation and market differentiation in the outdoor market. In terms of organisation, reporting and financing (KJK Capital / Luyemburg), elan is a benchmark in the outdoor industry.

Companies such as Patagonia and North Face are challenging Elan to pace-up their game in sustainability.

The owners of KJK Capital want ESG responsible investments in order to attract institutional and private investors.



Elan GroupSUSTAINABILITY STRATEGY



ELAN GROUP OUR VISION











To inspire active and sustainable living.

WHERE IS SUSTAINABILITY TODAY?



MUST DO

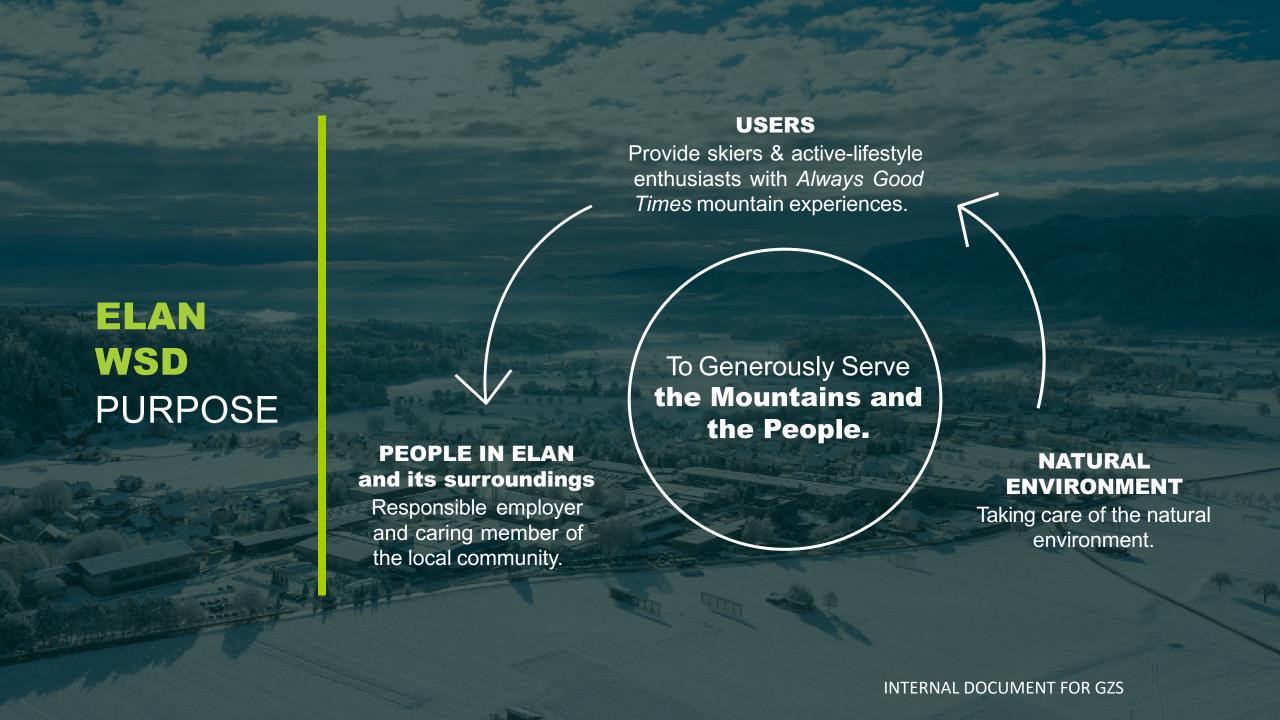
We create & We have to do something about ESG topic...

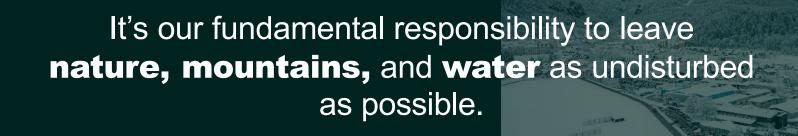
WANT TO

There is something about that. Let's explore...

BELIEVE TO

We believe it the right thing to do and we are committed to be better.







Productivity

Robotization Digital transformation

Design thinking

User centricity
Design for humanity

Branding

Increase perceived value

User experience

Stay loyal Recommend

All out side costs

ADDED VALUE

Sales revenue

Employees

Salaries

Financial institutions

Financing

Owners

Dividends

Planet

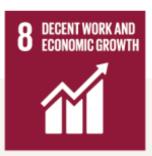
Green transformation Society

Elan Contribution

To Global Goals















Elan Group

Sustainability Organization

Systematic approach to developing a sustainability report in accordance with ESRS standards, through 12 educational workshops involving a wider range of employees, with the aim of producing the first sustainability report in 2024 that complies with ESRS

already completed:

Stakeholder analysis

Analysis of the significance of impact in our own activities and value chain

ongoing activities:

Preparation of a questionnaire for stakeholders

Risk and opportunity assessment

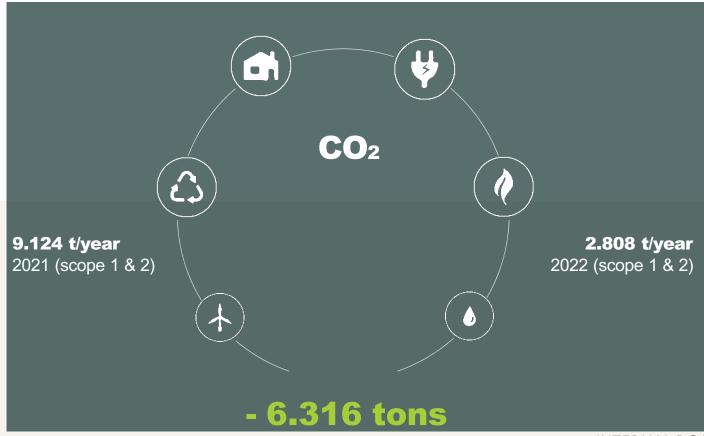
Analysis of individual ESG sustainability topics, with the formulation of action plans, metrics, and the preparation of a policy framework for E, S, and G

Measuring Progress

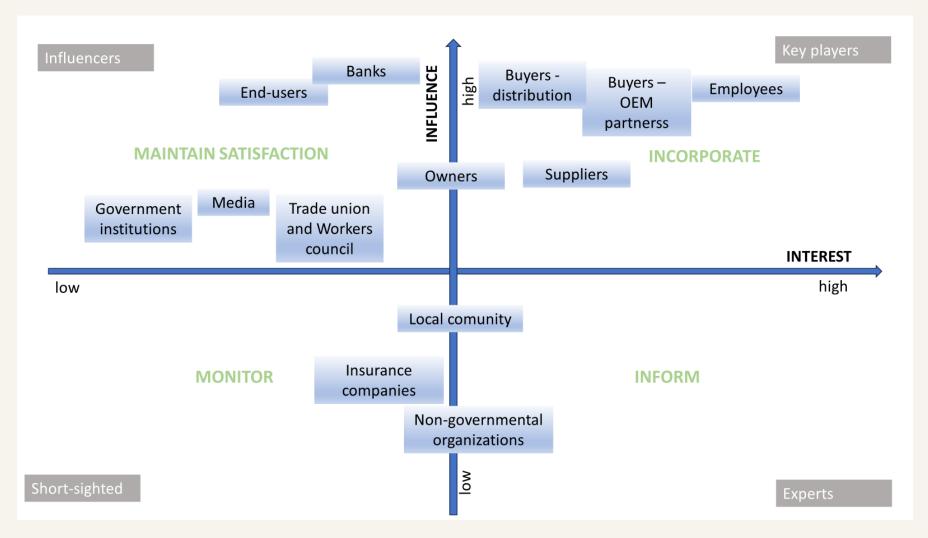
-6.316 Tons | YoY in 2022

Activities 2024:

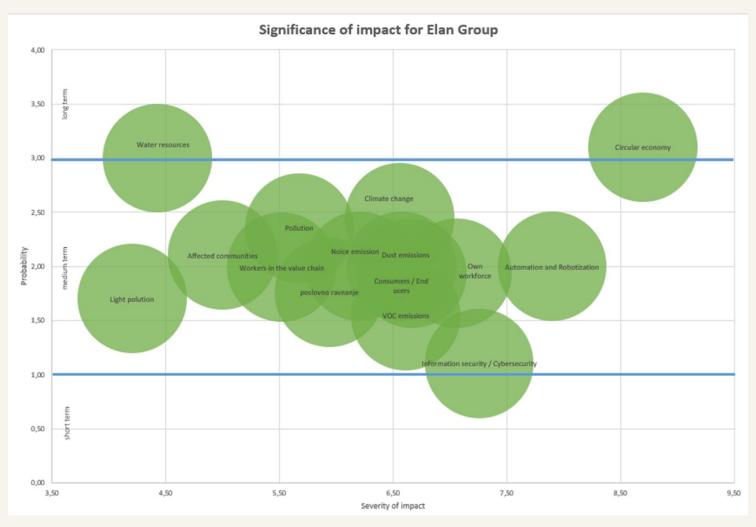
- calculation and verification of scope 1,2 for 2023
- Preparation for scope 3



Mapping of Shareholders

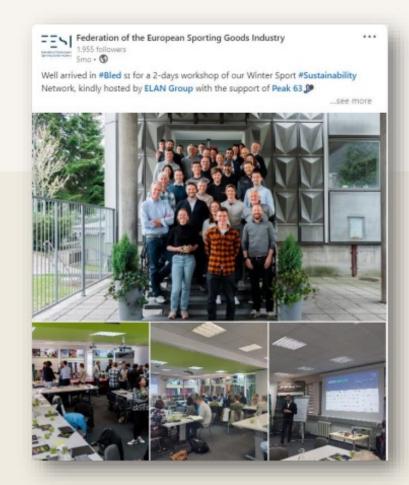


Significance of impact in own activities and value chain



Industry-Wide

Cooperation





Sustainability

Example of Drivers

Product Design

Use creativity, collaboration and innovation potential in product design to reduce the environmental impact, increase resource efficiency and longevity of products.

Manufacturing

The manufacturing plays a pivotal role in sustainable development by influencing resource consumption, emissions, and waste generation, ultimately shaping the overall environmental footprint.

Product Usage

Re-thinking the way products are used directly affects sustainable development by influencing energy consumption, resource depletion, and waste generation throughout their lifecycle.

Employees

Implementing and advocating for eco-friendly practices, reducing operational waste, and fostering a culture of environmental responsibility within the company.

Leadership and governance

Setting clear
environmental goals,
promoting
responsible decisionmaking, and ensuring
the integration of
sustainable practices
throughout the
organization.

Society

Addressing community needs, promoting ethical practices, and contributing to social and environmental well-being in ways that extend beyond its core business activities.

Elan Group **Sustainability Organization**

Where we could unify as KJK Group:

- Common code of conduct
- Expectations toward suppliers

SLO Sustainability and Innovation Hub ESG Topics Event Breakout Session 2024

ESG Topics

For the second breakout session following topics have been defined:

- ◆ ESG Regulation
- ESG Organisation
- ESG Reporting
- ESG Financing

These Services will be relevant and offered, based on the maturity level of Sustainability Strategy and Action at the GZS Members.

For each of the topics pls find a summary in bullet points for your moderation of the second breakout session April 10th 2024.

GZS – PARK ESG

Topics

Following topics have been defined:

- ◆ ESG Regulation
- ◆ ESG Organisation
- ◆ ESG Reporting
- ♦ ESG Financing

These topics are the main topics discussed with the members on April 10th 2024.





ESG - Regulation

Objective:

To discuss with the Member Companies their challenges and opportunities, progress they made in being aware of, understanding, acting up on the EU ESG regulation.

Discussion Challenges and Opportunities:

- ❖ Time-line and mandatory character of regulation (fines).
- ESG Regulation Standards (ESRS) for reporting.
- ❖ Some other examples of regulation areas:
- Law against green washing (2027).
- Law for repairability (2023).
- Law for inclusivity (2022).
- Law for safety, ethics and transparency (2020).



Drivers:

GZS Gateways. EU directive. Economics (return on invest, customer and consumer expectations). Investors. Competitors.



People:

Legal department. Knowledge and competencies internally. Roles and responsibilities. Top management support. External support.



Financials:

Anticipate resources (time) and investments. Anticipate fines when not adhering!





ESG – Regulation https://www.efrag.org/lab6



Source: European Financial Reporting Advisory Group, 2023





ESG - Regulation

ESG reporting and ESRS standards:

- From fiscal year 2024 in the 2025 annual report: Companies that are already subject to a reporting obligation under the NFRD.
- From fiscal year 2025 in the 2026 annual report: All other large corporations with an annual average of 250 employees or more, total assets of 25 million euros or 50 million euros in sales. Two of these three criteria must be met for a company to fall within the scope of the CSRD.
- From fiscal year 2026 in the 2027 annual report: Listed SMEs and small and non-complex credit institutions and captive insurance companies.
- From fiscal year 2028 in the 2029 annual report: Third-country companies with subsidiaries or branches in the EU. This only applies if the threshold of EUR 150 million in net sales in the EU area is exceeded over two years.





ESG – Organisation

Objective:

To discuss with the Member Companies their challenges and opportunities (progress) they made in being aware of, understanding, acting up on the organisational conditions for a successful development and implementation of a sustainability strategy.

Discussion Challenges and Opportunities:

- ❖ Understand the ESG requirements to departments, management.
- How to apply sustainability eco-system (6 pillars) to organisational set-up.
- ❖ Develop careers and organisation for the future to be ESG compliant.
- ❖ Have clear top-down and bottom-up approach.
- Define organisational internal and external boundaries/ambitions (especially towards your supply chain).
- Motivation of workforce.



Drivers:

Corporate Mission, Goals and Vision. Overall Business Strategy. Mother company Strategy. Supply chain.



People:

Multi-disciplinary approach. Cross silos (six pillars). Roles & Responsibilities for setting goals, measuring and funnelling data. Communication plan for involvement.



Financials:

Anticipate recruiting for organisational ESG fitness. Training costs of employees.

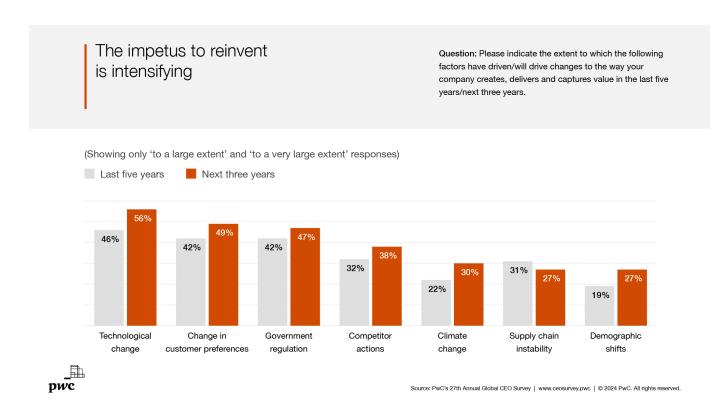




ESG – Organisation

30% of CEO's surveyed by PWC indicate that climate change will significantly drive change in the way their company creates, delivers, and captures value over the next 3 years.

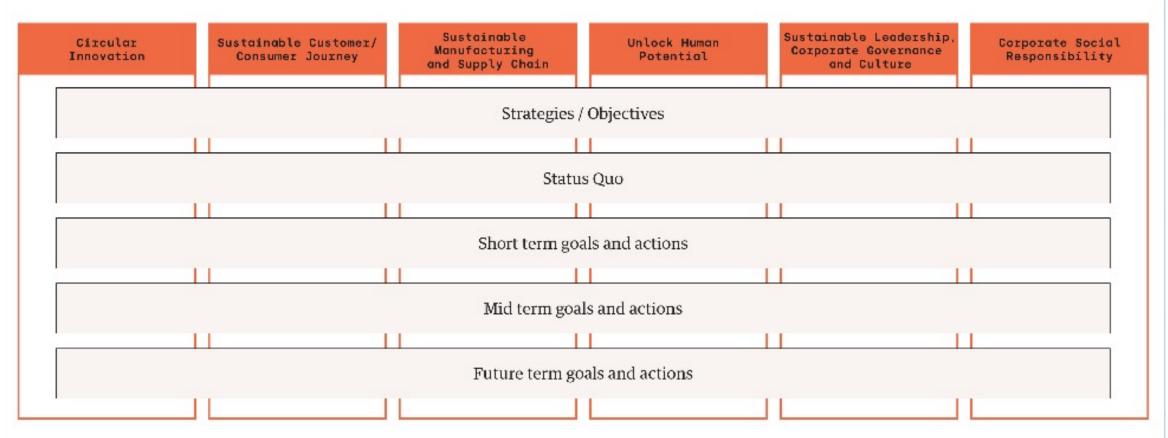
This is an increase on the previous 5 years (22%).







ESG – Internal Organisation



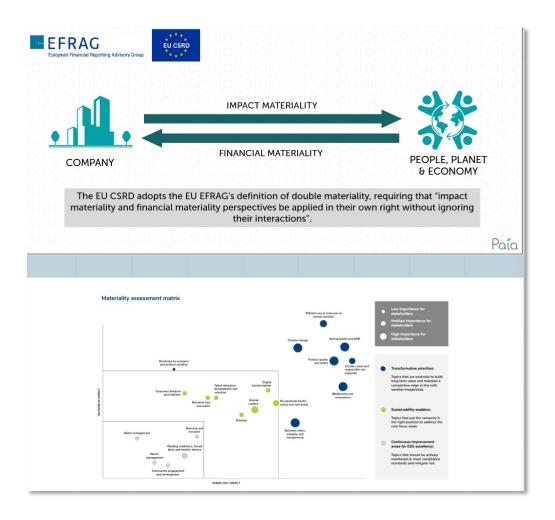
Source: PARK, 2022







ESG – External Organisation







ESG – Reporting

Objective:

To discuss with the Member Companies their challenges and opportunities (progress) they made in being aware of, understanding, acting up on ESG measuring, data and reporting.

Discussion Challenges and Opportunities:

- ❖ ESRS and the potential 10 topical standards/areas to report on.
- ESRS and the cross-cutting standards/areas for reporting.
- ❖ Setting goals and prioritising materiality (double materiality matrix).
- Collecting and measuring data.
- ❖ Available software and connecting with corporate API's.
- Connecting ESG with financial risks and opportunities.
- ❖ International / Global Alignment.



Drivers:

ESRS topical and cross-cutting standards. ISO 9001 /ISO 14001. Software.



People:

Top management and management. Financial Auditor.



Financials:

Anticipate costs (time and financial auditor) for reporting. Software.







ESG – Reporting https://www.efrag.org/lab6

Strategic objectives and priorities for the Financial Reporting Pillar

Strategic objectives and priorities for the Sustainability Reporting Pillar

EFRAG Work Influence the international standard setting process so that the resulting IFRS Accounting Standards are fit for use in Europe



Ensure successful development and implementation of ESRS interoperable with international standards of the ISSB and GRI

EFRAG's objective and priorities for governance structure, funding and administration as conditions for EFRAG Work

Running our organisation

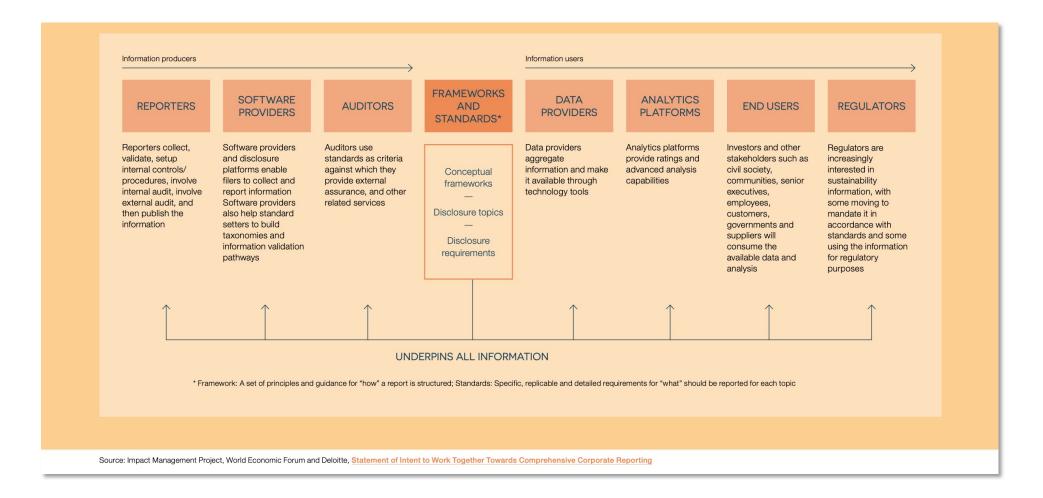
Ensure proper funding while remaining independent

Ensure EFRAG is an attractive organisation to work and has sufficient excellent human resources

Ensure EFRAG's governance and due process is fit for its mission



ESG – Reporting







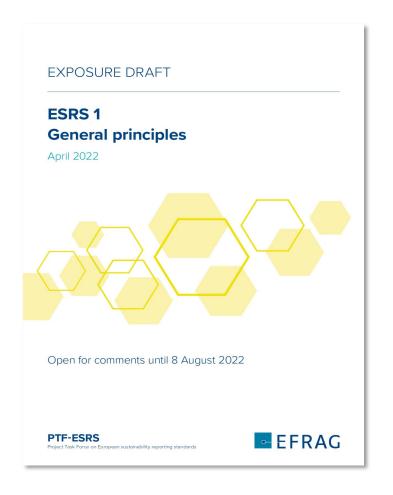
ESG – Reporting (source: EFRAG)

SECTOR-AGNOSTIC STANDARDS									
Cross-cutting standards	Environment	Social	Governance						
ESRS 1 General requirements	ESRS E1 Climate change	ESRS S1 Own workforce	ESRS G1 Business conduct						
ESRS 2 General disclosures	ESRS E2 Pollution	ESRS S2 Workers in the value chain							
	ESRS E3 Water & marine resources	ESRS S3 Affected communities							
	ESRS E4 Biodiversity & ecosystems	ESRS S4 Consumers and end-users							
	ESRS E5 Resource use & Circular economy								





ESG – Reporting



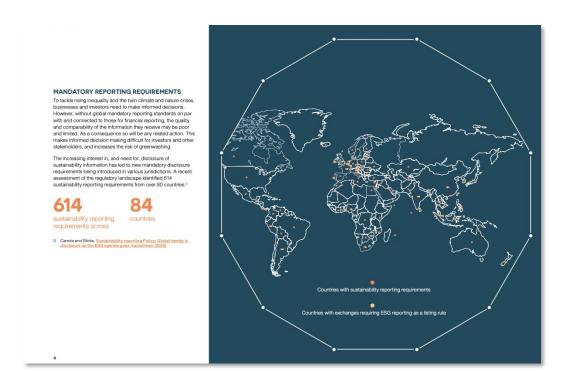






ESG – Reporting

Globally (e.g. GRI, IFRS):



Source: Accounting for Sustainability, 2024





ESG – Financing

Objective:

To discuss with the Member Companies their challenges and opportunities (progress) they made in being aware of, understanding, acting up on ESG investments and funding.

Discussion Challenges and Opportunities:

- Financial performance with ESG investments.
- ❖ Access to ESG investors and funding.
- ❖ Investor's confidence in ESG.
- ESG auditing as part of financial auditing including risk and opportunity management.
- ❖ Long term vs. short term investments.
- Investments beyond environmental topics, so extending towards employees, social and community.



Drivers:

GZS gateways. EU funding. SLO funding. ESG friendly banks and institutional investors (e.g. World Bank).



People:

Management and Top Management. Financial auditor.



Financials:

Anticipate higher interest rates. Make ESG part of efficiency / cost cutting ROI. Anticipate higher productivity.





ESG - Financing

Return on ESG Investments:

- ❖ When integrated as part of long-term Corporate Strategy.
- Average Financial Performance is indistinguishable from Conventional Investing, so not worse what is often suggested.
- One in three studies indicating superior performance; based on 27 meta reviews cross 1.400 studies (Khoury, Nasrallah and Alareeni, Journal of Sustainable Finance & Investment, 2021).



Drivers:

GZS gateways. EU funding. SLO funding. ESG friendly banks and institutional investors (e.g. World Bank).



People:

Management and Top Management. Financial auditor.



Financials:

Anticipate higher interest rates. Make ESG part of efficiency / cost cutting ROI. Anticipate higher productivity.







ESG – Financing / EU Financial Action Plan 2020 - 2024

The EU Action plan is a major policy objective that aims to leverage financial markets to support sustainable economic growth in Europe, while managing risks stemming from environmental, social and governance (ESG) issues. It has three core objectives:

- 1. Reorient capital flows towards a more sustainable economy.
- 2. Mainstream sustainability into risk management.
- 3. Foster transparency and long-termism.

To meet its goals, the 10-point plan is centred on several key pieces of legislation:

- **EU Taxonomy Regulation:** a classification framework to determine whether an economic activity is environmentally sustainable.
- ❖ Sustainable Finance Disclosures Regulation (SFDR): requires managers to assess and disclose how sustainability risks are considered in their investment processes, and how they consider investment decisions that might result in negative effects on sustainability factors, known as Principal Adverse Impacts (PAIs).
- EU Benchmark Regulation: requires investment benchmarks to disclose if—and how—they incorporate ESG criteria into their processes.
- Sustainability Preferences: amendments to the Markets in Financial Instruments Directive (MiFID II) and the Insurance Distribution Directive (IDD) mean ESG considerations must now be included in the advice process.





GZS – PARK Services

Service Categories

Based on the 2022 Sustainability Survey, the GZS categorised following Service Categories:

- ◆ ESG Aware
- ◆ ESG Learn
- ◆ ESG Share
- ◆ ESG Audit
- **♦** ESG Consult

These Services will be relevant and offered, based on the maturity level of Sustainability Strategy and Action at the GZS Members.

For each Service GZS will list the Current Services in the field as well as the new ESG Services to be implemented in 2024.





GZS – ESG Aware

Service Objective:

The GSZ organises regular workshops on specific topics within each relevant ESG area, to improve the maturity of the company's ESG knowledge and preparation for the necessary ESG competencies.

Service Outcome/ Value for Members:

- Learn management and leadership skills specific to sustainability initiatives.
- ❖ Understand what ESG is, what legislation governs it.
- ❖ Learn which topics are covered by ESG in each of the E, S, G areas.
- ❖ Find out what the obligations are for different companies. e.g. ESRS measurement and reporting.
- ❖ Assess and enhance next step organisational maturity with a tailored action plan.



Service Format:

Open event - small and large public. Organised 2x a year, 90-120 min.



Service Target Group:

Companies with Maturity Level - Beginner - Must do.



Service Pricing:

Free for Member Companies.
Payable for non-Member Companies.





GZS – ESG Aware

Following GZS Services fit to the category ESG Aware:

- Environmental Day.
- Sustainability Legislation foresight & update.



Service Formats:

Conference and workshops. Website and Coms.



Service Target Groups:

All members and potential members.



Service Pricings:

TBD









GZS – ESG Share

Service Objective:

The Chamber of Commerce and Industry wants to enable members to exchange good practice and experience on ESG at industry and crossindustry level.

Service Outcome / Value for Members:

- ***** Exchange of experience between companies.
- ❖ Learn about examples of good practice e.g. ESG reporting.
- Confirmation that company is on the right track.
- ❖ International perspective through multinational companies.
- ❖ Learn more about opportunities of ESG GZS.



Service Format:

Closed Events – small groups. Organised quarterly.



Service Target Group:

Companies with Maturity Level - Mid - Want to do and Expert – Believe to do.



Service Pricing:

Free of charge.







GZS – ESG Share

Following GZS Services fit to the category ESG Share:

- Environmental Day.
- ❖ Best Practice and Trend Sharing + ESG working section groups on association level.
- Sustainability Survey.
- The voice of Economy.
- Environmental Newsletter.
- ❖ Working Section Groups (within associations).
- ❖ Investment Platform.
- ❖ Innovation Platform (under development).



Service Format:

Closed Events – small groups. Organised quarterly.



Service Target Group:

Companies with Maturity Level - Mid - Want to do and Expert – Believe to do.



Service Pricing:

Free of charge.









Service Objective:

The GSZ organises regular workshops on specific topics within each relevant ESG area, to improve the maturity of the company's ESG knowledge and preparation for the necessary ESG competencies.

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- ❖ Learn which topics are covered by ESG in each of the E, S, G areas.
- ❖ Find out what the obligations are for different companies. e.g. ESRS measurement and reporting.
- ❖ Assess and enhance next step organisational maturity with a tailored action plan.



Service Format:

Closed 1 day-workshops + assignments. Organised 1x a month.

PARK with GZS participant. Content on online PARK platform.



Service Target Group:

Companies with Maturity Level - Mid - Want to do.

10-15 Participants per Workshop.



Service Pricing:

Fee of 485,00 per participant for Member Companies and non-Member Companies , including access Livebook.





Approach Workshops:

PARK will facilitate 0,5 day interactive and F2F teaching sessions and support participants with 0,5 day assignment and presentation session.

Process Workshops:

- Understand the ESG requirements and the ESG management / leadership frameworks, to be compliant.
- ❖ Apply the learnings to your own organisation with the assignment.
- Present and discuss outcomes with participants.
- Work on one-pager plan and be inspired and enriched for planning the next steps.

Tools Workshops:

- Design for Humanity Horizon Model.
- ❖ Design for Humanity Management and Leadership Dimensions.



Service Format:

Closed 1 day-workshops + assignments. Organised 1x a month.

PARK with GZS participant. Content on online PARK platform.



Service Target Group:

Companies with Maturity Level - Mid - Want to do.

10-15 Participants per Workshop.



Service Pricing:

Fee of 485,00 per participant for Member Companies and non-Member Companies, including access Livebook.









Service Format:

Closed 1 day-workshops + assignments.
Organised 1x a month.

PARK with GZS participant. Content on online PARK platform.



Service Target Group:

Companies with Maturity Level - Mid - Want to do.

10-15 Participants per Workshop.



Service Pricing:

Fee of 485,00 per participant for Member Companies and non-Member Companies, including access Livebook.









Following GZS Services fit to the category ESG Learn:

- Environmental Day.
- ❖ GZS Center for Business Education.
- ❖ Investment Platform for future sustainability investments and technologies.
- ❖ Sustainability Legislation and Foresight (and Update).
- GZS Innovation Platform (under development)



Service Format:

Conferences Workshops Website Coms



Service Target Group:

Companies with Maturity Level - Mid – Want to do.

10-15 Participants per Workshop.



Service Pricing:

TBD







GZS – ESG Audit

Service Objective:

Businesses will soon need to become ESG compliant. This requires strategic and disruptive changes in companies, their organisational set-up and their value chains. The Audit analyses the gap between current situation and the future of ESG/ESRS compliance in 2026/2027.

Service Outcome / Value for Members:

- ❖ Help the company to anticipate its current situation and strategy.
- Identification of the right ESG Mission and Vision as well as ESG Goals translated into a clear recommendations for next ESG Strategy Step.
- ❖ Involve the right stakeholders.
- Set up of internal ESG organisational structure to be prepared for the next ESG Strategy Step.



Service Format:

F2F one or two day workshop onsite with all important stakeholders.

PARK with GZS participant.



Service Target Group:

Members only.

Maturity Level Mid – want to do - and Expert
– Believe to do -.



Service Pricing:

3.000,00 - 6.000,00 Euro per audit depending on size of company.





GZS – ESG Audit

Approach Audit:

Multi-disciplinary workshops during one or two sessions to identify current ESG maturity level driving future goals and actions for enhancing the ESG maturity level.

Process Workshops:

- ❖ Appoint Sustainability Owners of all relevant business disciplines.
- ❖ Assess sustainability status quo with multi-disciplinary team.
- ❖ Define your Sustainability Mission, Vision and Goals (short-term, mid-term and long-term), focusing on first phase ESRS Standards.
- Agree on Sustainability Performance Indicators as foundation for ESG reporting.

Tools Workshops:

- ❖ Six Pillar Sustainability Model.
- Sustainability Key Performance Indicators.



Service Format:

F2F one or two day workshop onsite with all important stakeholders.

PARK with GZS participant.



Service Target Group:

Members only.

Maturity Level Mid – want to do - and Expert
– Believe to do -.



Service Pricing:

3.000,00 - 6.000,00 Euro per audit depending on size of company.





GZS – ESG Audit Example

Adria Mobil:

- To prepare Adria Mobil for a long-term future, the management and owner were consulted to take an approach respecting profit, people and planet.
- Each department was assessed and asked to imagine their contribution to a sustainable future.
- Long term mission and vision as well as overall sustainability departmental goals were defined for the period 2020-2025. Both the corporate governance as well as a framework for reporting was created.
- This formed the basis for Adria Mobil's sustainability strategy that is linked to the sustainability objectives of the owner company.





Service Format:

F2F one or two day workshop onsite with all important stakeholders.

PARK with GZS participant.



Service Target Group:

Members only.

Maturity Level Mid – want to do - and Expert

– Believe to do -.



Service Pricing:

3.000,00 - 6.000,00 Euro per audit depending on size of company.







GZS – ESG Consult

Service Objective:

To support companies in their development and growth in the area of ESG strategy and implementation, while boosting business growth.

Service Outcome/ Value for Members:

- Support in key activity definition and through implementation and scaling of identified ESG, sustainability opportunities and other business challenges.
- ❖ Get in-depth advice on a specific topic in particular ESG areas.
- Help to organise and develop the people and partners needed to enable impactful change.
- ❖ PARK shares its extensive industry experience and best practices gained through its network of hundreds of global organisations.
- GZS issues a certificate of ESG compliance.



Service Format:

F2F Company workshops.
Sustainability Strategy + Roadmap and Implementation.

PARK with GZS participation.



Service Target Group:

Members only.

Maturity Level – Mid – want to do.

Maturity Level – Expert – believe to do.



Service Pricing:

Pricing depends on the scope of the project.







GZS – ESG Consult

Service Approach:

To assist and facilitate the resolution of complex challenges related to sustainability and ESG in a multi-disciplinary approach and if needed with the support of external experts and partners.

Service Process:

- Support not only in key activity definition, but also through implementation and scaling of identified ESG, sustainability opportunities and other business challenges.
- ❖ Get in-depth advice on a specific topic in particular ESG areas.
- ❖ Help to organise and develop the people and partners needed to enable impactful change.

Service Tools:

- ❖ Circular Economy Toolbox e.g. Circular Innovation.
- Strategy Progress Monitoring with top management.



Service Format:

F2F Company workshops. Sustainability Strategy + Roadmap and Implementation.

PARK with GZS participation.



Service Target Group:

Members only. Maturity Level – Mid – want to do. Maturity Level – Expert – believe to do.



Service Pricing:

Pricing depends on the scope of the project.









GZS – ESG Consult Example

Adria Mobil:

- To development of the sustainability strategy for Adria Mobil was the result of the ESG audit.
- Multiple workstreams and teams were appointed with support of the departmental directors to set sustainability goals for product, customer, manufacturing and supply chain.
- Using the double materiality matrix, priorities based on investment and resource opportunities and risks are selected to implement short-, mid-, and long term.
- These form the foundation for ESG goal measurement and reporting. And drive the E2E innovation funnel.

ENVIRONMENTAL *			SOCIAL			GOVERNANCE			
Climate Change	Natural Resources	Biodiversity	Pollution & Waste	Employees & Human Capital	EHS	Human Rights & Labor Practices	Community Impact & Equity	Corporate Governance	Corporate Decision-Making
Carbon Emissions	Circularity	Raw Materials Sourcing	Clean Energy	Talent Development	Education	Responsible Supply Chains	Philanthropy & Volunteering	Diversity & Inclusion	Ethics & Anti-Corruption
Water Stewardship	Land use	Facilities	LCA	Product Quality & Safety	Stakeholder Relations	Privacy & Data Security	Health & Wellbeing	Communications Transparency	Executive Compensation
Packaging	Environmental Risk	Climate Financing	Innovation	Product Access & Inclusion	Economic Development	Cultural Opportunity	Social Innovation	Ownership	Accounting & Financial Controls



Service Format:

F2F Company workshops.
Sustainability Strategy + Roadmap and Implementation.

PARK with GZS participation.



Service Target Group:

Members only.

Maturity Level – Mid – want to do.

Maturity Level – Expert – believe to do.



Service Pricing:

Pricing depends on the scope of the project.





