



MODULE 5

Sustainable finance for strategic financial decisions



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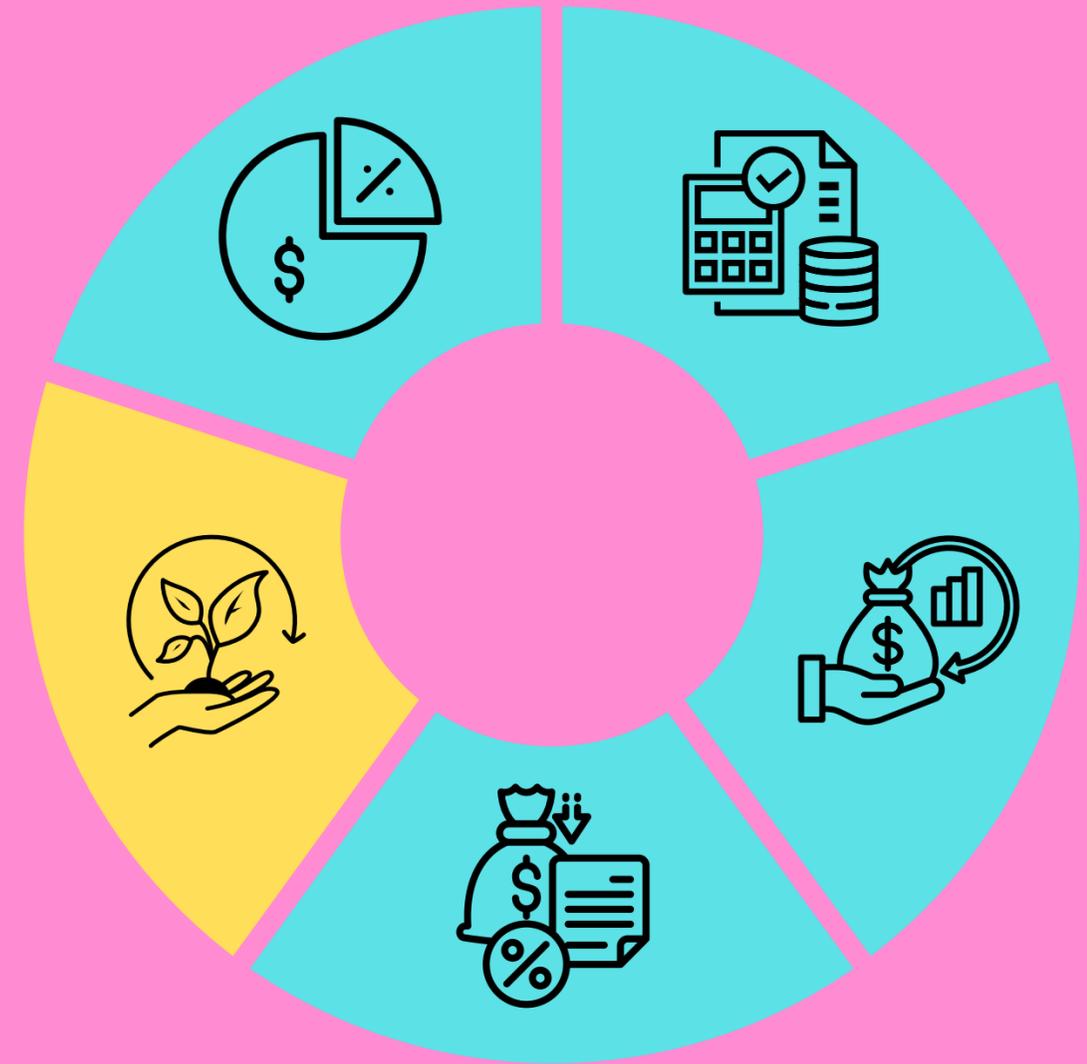
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How does this training programme work?

This training programme encompasses a set of 5 modules and it is designed to engage you in the topics, issues and activities that can help you acquire or improve your advanced financial skills for taking strategic business decisions.

It is a modular course, which means that you can pick up at where you feel you need training. Right now, you are at **Module 5 – Sustainable finance for strategic financial decisions.**



Welcome to Module 5

- 1** In this module, you will learn how to apply sustainable finance and ESG (Environmental, Social, Governance) criteria to make strategic business decisions, exploring how this can strengthen your business model.
- 2** You will understand how to incorporate ESG indicators into your business planning and investment choices, attracting responsible investors and aligning your financial goals with environmental and social impact.
- 3** Ultimately, you will be empowered to confidently measure your business's sustainability performance, communicate its value clearly, and becoming a change agent by fostering responsible finance practices.



Module outline

In this module, you will find:



**Learning
outcomes**



**Learning
contents**



**Learning
activities**



**Learning
resources**

Learning outcomes

At the end of this module, you are expected to:

1

Understand the principles of sustainable finance, ESG criteria, and their relevance to entrepreneurial strategy

2

Recognise the regulatory and market trends impacting access to green and sustainable financing

3

Integrate ESG indicators into financial planning and strategic business decisions

Learning outcomes

At the end of this module, you are expected to:

4

Develop strategies to assess sustainability metrics and communicate value creation through ESG frameworks

5

Lead initiatives that align financial decisions with environmental and social impact goals

6

Serve as a change agent by promoting sustainable finance practices among peers, networks, and partners

Learning contents

Theoretical and/or factual knowledge to help you get acquainted with budgeting and financial planning

After completing this section, you are expected to:

- 1 Understand the principles of sustainable finance, ESG criteria, and their relevance to entrepreneurial strategy
- 2 Recognise the regulatory and market trends impacting access to green and sustainable financing



Sustainable finance

Sustainable finance refers to the process of taking ESG considerations into account when making investment and financial decisions. Rather than focusing solely on short-term profitability, sustainable finance emphasizes long-term value creation, risk mitigation, and positive societal impact.

For entrepreneurs, this means aligning financial decisions with broader goals such as climate action, community well-being, and ethical governance. It is not just about being 'green' – it is about ensuring your business is resilient, future-ready, and attractive to socially conscious investors.

Early-stage entrepreneurs can use sustainable finance principles to build credibility, secure funding, and differentiate themselves in competitive markets.



Keeping updated



What is sustainable finance?

<https://bionic.co.uk/business-finance/guides/sustainable-finance>



Why do we need sustainable finance?

<https://youtu.be/U9E-t57akWU>



Defining sustainability and ESG

www.thecorporategovernanceinstitute.com/insights/guides/difference-between-sustainability-and-esg



ESG criteria

ESG stands for Environmental, Social and Governance - three non-financial categories used to assess a company's behaviour and impact. Environmental factors include carbon footprint, resource use, and climate strategy. Social criteria look at employee rights, diversity, customer relations, and community impact. Governance covers board structure, transparency, and ethical conduct.

These criteria help investors, regulators, and partners evaluate a business beyond its financial performance. For entrepreneurs, ESG provides a practical framework for building a responsible and inclusive business from the ground up.

Applying ESG criteria early on helps establish trust, attract mission-aligned investors, and reduce operational risks. It also ensures the business is contributing positively to society while remaining financially viable.



Keeping updated



What is ESG criteria

<https://greenly.earth/en-gb/blog/company-guide/esg-criteria-what-you-need-to-know>



Guide to ESG for business

https://youtu.be/g6KHyOI_8Yg



8 steps to incorporate ESG into your business strategy

<https://shorturl.at/xVA2F>



Tripple bottom line

The triple bottom line is a strategic approach that considers three core business objectives: profit (economic value), people (social value), and planet (environmental value). Unlike traditional models that measure success by profit alone, this concept is a framework that measures a business' performance by including sustainability considerations.

This framework encourages entrepreneurs to ask: Is my business financially healthy? Is it benefiting society? Is it minimising harm to the environment? A business aligned with all three pillars is more likely to be sustainable in the long term.

For women entrepreneurs, especially those building purpose-driven ventures, the triple bottom line is a powerful tool to integrate values into strategy and appeal to conscious consumers and investors.



Keeping updated



Tripe bottom line: what is and why it is important

<https://online.hbs.edu/blog/post/what-is-the-triple-bottom-line>



The tripe bottom dimensions and how to measure them

<https://youtu.be/MdcNeQD54bQ>



Steps to implement the triple bottom line approach

www.linkedin.com/advice/1/how-can-you-implement-triple-bottom-line



Materiality in ESG

Materiality is about prioritising what matters most. In the context of ESG, it refers to identifying which issues are likely to have the most significant impact - positive or negative - on your business strategy, budget allocation, risk and opportunity identification. These could be financial, operational, reputational or regulatory.

Materiality helps entrepreneurs focus their sustainability efforts on areas that matter most - financially and ethically. It makes ESG strategy more targeted, measurable, and impactful. Understanding materiality ensures that resources are allocated wisely, and that your reporting or communication reflects real business risks and opportunities, rather than generic ESG trends.

For example, a fashion entrepreneur may find supply chain labour practices and fabric sourcing are material ESG issues while a tech startup may need to focus on data privacy, cybersecurity, and diversity in leadership.



Keeping updated



What is ESG materiality?

<https://youtu.be/AFrmYQuxOy4>



5 steps for a materiality assessment

www.apiday.com/blog-posts/5-steps-to-executing-a-materiality-assessment



Tips and tricks for a business materiality assessment

<https://youtu.be/xHt9-E4Tbzc>



Transition finance

Transition finance refers to funding that supports businesses in shifting from carbon-intensive or unsustainable practices toward more environmentally and socially responsible operations. Unlike green finance, which typically supports already 'clean' activities (like renewable energy), transition finance helps companies in high-emission sectors move toward sustainability over time.

Transition finance enables gradual improvements, such as adopting cleaner technologies, improving energy efficiency, or reducing waste and pollution. It allows entrepreneurs to take meaningful steps without needing to meet all sustainability criteria upfront.

For entrepreneurs, especially in sectors with complex supply chains or high resource use, transition finance offers an opportunity to access capital while signaling a commitment to ESG goals.



Keeping updated



What is transition finance

https://finance.ec.europa.eu/sustainable-finance/overview-sustainable-finance_en



Transition finance implementation for businesses

www.ifs.net.cn/storage/files/427465ec341b93fc3cc4d4e6700e2626.pdf



Transition finance explained

<https://youtu.be/lb7NU1kdf1o>



EU Sustainable Finance Disclosure Regulation (SFDR)

The SFDR is a regulation by the European Union (EU) that requires financial market participants to disclose how they consider ESG risks and impacts in their investment decisions. It is part of a broader effort to redirect capital towards sustainable activities.

For entrepreneurs, this means that investors will increasingly look for clear sustainability data and accountability when choosing where to invest. The SFDR raises the bar for transparency and ESG alignment.

Understanding SFDR is useful for businesses that want to position themselves as sustainable ventures and become eligible for ESG-conscious funding, particularly from EU-based investors and programmes.



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What the EU is doing and why

<https://shorturl.at/tTLZW>



A guide to SFDR

www.apiday.com/blog-posts/a-guide-to-the-sfdr



How the SFDR impacts your business

<https://shorturl.at/7uhpj>



EU taxonomy for sustainable activities

The EU Taxonomy is a classification system that defines which economic activities can be considered environmentally sustainable. It helps investors, companies, and policymakers identify opportunities that truly support the EU's climate and energy goals.

This system is becoming a reference point for sustainable investment eligibility, including grants and funding programmes. Entrepreneurs who understand it can align their business models and reporting accordingly.

By positioning your business within the taxonomy's framework, you can enhance its appeal to sustainable finance actors and stay ahead of upcoming compliance requirements. You are also more well prepared to make strategic choices that contribute to a low-carbon economy while unlocking access to EU-aligned funding opportunities.



Keeping updated



What the EU is doing and why

https://finance.ec.europa.eu/sustainable-finance/tools-and-standards/eu-taxonomy-sustainable-activities_en



The EU taxonomy explained

<https://shorturl.at/UQVG7>



A complete guide to the EU taxonomy

https://publyon.com/eu-taxonomy-for-sustainable-activities-a-complete-guide/?switch_language=en



Green bonds

Green bonds are financial instruments used to raise funds specifically for climate or environmental projects. They function like regular bonds but are earmarked for green initiatives, such as renewable energy, clean transportation, or sustainable agriculture.

Entrepreneurs can explore green bonds as a financing option, especially if their business offers products or services with a measurable environmental benefit. Although more common for governments and large companies, green bond opportunities are expanding to startups and SMEs.

Knowing how green bonds work empowers entrepreneurs to think creatively about funding and to position their ventures as part of the climate solution.



Keeping updated



What are green bonds

<https://earth.org/explainer-what-are-green-bonds/>



The EU green bond standard

<https://shorturl.at/AI1X0>



Examples of sustainable finance

<https://sbs-software.com/insights/what-is-sustainable-finance/>



Why are green bonds popular

<https://redcliffetraining.com/blog/why-are-green-bonds-popular>



Impact investing

Impact investing refers to investments made with the intention of generating both a financial return and a measurable positive social or environmental impact. It is a fast-growing segment, especially appealing to purpose-driven ventures.

For entrepreneurs, impact investing offers capital plus strategic alignment - investors who care about your mission as much as your margins. These funders often provide more than money, offering mentorship and access to values-aligned networks.

Understanding the mindset and criteria of impact investors can help entrepreneurs craft more compelling pitches and structure businesses in ways that resonate with socially responsible capital.



Keeping updated



Impact investing definition, types and examples

www.investopedia.com/terms/i/impact-investing.asp



Demystifying impact investment

<https://youtu.be/wl9CxVb0ZBg>



Elements of impact investing

<https://thegiin.org/publication/post/about-impact-investing/>



ESG ratings and certifications

ESG ratings are external evaluations provided by agencies and used by investors, lenders and other stakeholders that measure a company's performance on environmental, social, and governance indicators. Certifications, such as B Corp, Fair Trade or ISO standards, provide formal recognition of sustainability practices.

While many ratings are used by large companies, small businesses can benefit by working toward certifications that demonstrate transparency and responsibility. These tools serve as trust signals to investors, partners, and customers, opening the door to responsible finance and procurement opportunities.

Familiarity with ESG evaluation tools helps entrepreneurs understand what external stakeholders look for - and how to communicate their business's values and impact effectively, not just good intentions.



Keeping updated



What is an ESG score

<https://ecovadis.com/glossary/esg-environmental-social-governance-investing/>



Guide to ESG rating agencies

www.iriscarbon.com/a-beginners-guide-to-esg-rating-agencies-and-methodologies/



The top ESG certificates

<https://youtu.be/KTk2pi6VPXQ>



Getting started with ESG measurement and reporting

<https://youtu.be/miWyDREm4QI>



Learning activities

A set of activities designed to provide you with real-world challenges and practical information on budgeting and financial planning, so you can apply the knowledge gained

Module activities

In this module, you will find:



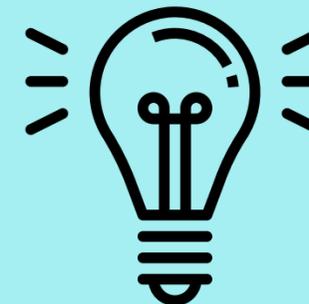
Task cards

Practical problem-oriented case studies specifically designed to offer you real-world scenarios for you to apply budgeting/finance techniques and perform specific tasks



Storytelling scenarios

Real or fictional narratives that reflect real-life budgeting/finance dilemmas or success stories, encouraging understanding through reflection and analysis



Practical tips

Exploratory questions and answers presented as practical tips to help you better face budgeting/finance challenges through entrepreneurial judgement and independent thinking

After completing this section, you are expected to:

- 1 Integrate ESG indicators into financial planning and strategic business decisions
- 2 Develop strategies to assess sustainability metrics and communicate value creation through ESG frameworks



After completing this section, you are expected to:

- 1 Lead initiatives that align financial decisions with environmental and social impact goals
- 2 Serve as a change agent by promoting sustainable finance practices among peers, networks, and partners



Task cards

Task card 1:

Integrate ESG to strengthen your financial strategy



In this task, you will explore how to integrate ESG indicators into your business's financial planning process. You will work with a business scenario – either a fictional or real case found online or your own entrepreneurial idea - and apply tools to align purpose with profit. By identifying relevant ESG factors, mapping them into your financial strategy, and adjusting your planning process, you will learn to balance sustainable values with long-term growth.

This task is useful because today's investors, customers, and regulators increasingly expect businesses to demonstrate how ESG is embedded in their decision-making. Knowing how to turn these expectations into strategy gives your business a competitive and credible edge. Work through the three actions below to practice ESG-integrated thinking and enhance your financial leadership skills.



Task card 1

Action 1: Apply ESG thinking to a business case

Step 1: use your own business idea or search online for a fictional or real business. Choose a business that interests you or reflects the kind of company you would like to start. If using a fictional scenario, search for 'startup case study' and pick one with enough context to explore ESG factors.

Step 2: write a short paragraph (3-5 lines) summarising the business name, product or service, target market and main activities. This will give you a working scenario to build on throughout this task. Be clear and concise.

Step 3: identify three ESG issues that are likely to be relevant or 'material' to this business. For each issue, briefly explain why it matters for the sector or business model. Think about the business environmental footprint, impact on people and governance style.



To help you further



Integration of ESG in financial planning

www.financealliance.io/integration-of-esg-in-financial-planning-2



20 useful ESG case studies

<https://digitaldefynd.com/IQ/esg-case-studies/>



6 steps to conducting an ESG materiality analysis

<https://esgaccess.io/how-to-conduct-esg-materiality-analysis/>



Task card 1

Action 2: Connect ESG to financial components

Step 1: for each ESG issue listed, explain how it could affect the business financially – positively or negatively. For example, reducing energy use may lower utility costs or investing in ethical suppliers might raise short-term expenses. Try to think practically: would this factor increase cost, reduce risk, create new revenue?

Step 2: link each ESG factor to a financial element such as operating costs, risk management, revenue forecasts or investment decisions. Ask 'Where in my budget or strategy would this ESG issue show up?'.

Step 3: draw a simple table with two columns – ESG indicator and financial impact. This visual will help clarify how sustainability choices influence financial planning. Keep it straightforward – you do not need to calculate exact numbers, just map the logical connections.



To help you further



ESG and materiality

<https://sustainablecapitalgroup.com/blog/esg-materiality-the-maps-to-navigating-sustainable-finance/>



ESG and sustainability: a financial perspective

<https://shorturl.at/9yES7>



Task card 1

Action 3: Adjust a strategic decision based on ESG

Step 1: pick a key business decision – like choosing suppliers, pricing a product, expanding to a new market or designing packaging. Choose something realistic and relevant to your business scenario. This decision should be one where ESG factors could make a meaningful difference.

Step 2: ask ‘Does this decision reflect or ignore my ESG priorities?’. Write 2-3 sentences analysing the connection. For example, does the decision support climate goals or contradict social values? Use your earlier matrix to guide this reflection.

Step 3: suggest a specific change that better aligns the decision with your ESG and financial goals. Explain how this adjustment could strengthen business outcomes or stakeholder trust. Keep it actionable and realistic – focus on improvement, not perfection.



To help you further



Mistakes to avoid when embedding ESG

<https://shorturl.at/TqO7W>



How corporates are embedding ESG in their decision-making

<https://shorturl.at/Mdt42>



Embedding ESG: where to start
www.rennieadvisory.com.au/insights-portal/embedding-esg-into-corporate-strategy-a-blueprint-for-impact



Task card 1:

Integrate ESG to strengthen your financial strategy

In a nutshell

You have learned how to integrate ESG indicators into financial planning, enabling smarter, values-driven business decisions that align with both sustainability goals and long-term profitability

This task has shown how ESG factors are not separate from business strategy, but powerful tools to guide financial choices that reflect your mission and market

Explore real ESG reporting frameworks (like Global Reporting Initiative or United Nations Global Compact), refine your financial model using ESG metrics, and connect with networks focused on sustainable entrepreneurship

Task card 2: Measure and evaluate ESG value

In this task, you will work with a business scenario – either a fictional or real case found online or your own entrepreneurial idea - to practice evaluating sustainability performance using key ESG metrics and translating that impact into clear, strategic communication.

You will identify meaningful indicators, draft a simple reporting framework, and articulate how your ESG efforts create value for your business and its stakeholders.

This task is useful because strong ESG communication builds trust with investors, customers, and partners - especially when supported by measurable data. By completing the three actions below, you will build the skills to assess ESG progress and share your impact in a way that supports funding, growth, and visibility.



Task card 2

Action 1: Choose ESG metrics that reflect your business

Step 1: use the same business scenario from your previous task or define a new one that aligns with your interests or sector. Make sure the business has some social, environmental, or governance dimension - however small - that you can explore.

Step 2: For each chosen ESG focus area, choose 1-2 simple metrics you can realistically track (e.g., % of women in leadership, % of waste recycled). Think about what impact you want to create and how you could prove it. Use online guides to get inspired by common metrics.

Step 3: decide how you will measure progress and how often (e.g., monthly survey, supplier audit, energy bill review). Clear and consistent tracking will make your ESG efforts credible and easier to communicate.



To help you further



ESG metrics: tips and examples
<https://shorturl.at/Mktp8>



Common ESG metrics
<https://quantive.com/resources/articles/esg-metrics>



Why ESG metrics matter
<https://esgthereport.com/what-are-esg-metrics/>



How to build a modern ESG framework
<https://youtu.be/d2Xp5UGHwLk>



Task card 2

Action 2: Build a simple ESG reporting strategy

Step 1: use a table, infographic, or dashboard format to organise your selected metrics in a clear, visual way. The goal is to make your sustainability progress easy to see and share.

Step 2: write 1–2 sentences explaining why each metric matters to your business, customers, or partners. This helps readers understand the ‘why’, not just the numbers. Remember: showing relevance builds connection and trust.

Step 3: Create a chart, graph, or progress bar that represents one of your metrics visually as visuals make data more engaging and memorable. This also demonstrates your ability to present information professionally - great for investor decks or social media.



To help you further



ESG metrics example frameworks

<https://novisto.com/resources/blogs/understanding-esg-metrics-definition-examples>



The Global Reporting Initiative

<https://www.globalreporting.org/>



10 steps to create your ESG reporting strategy

www.greenomy.io/blog/10-steps-to-create-your-esg-reporting-strategy



Task card 2

Action 3: Communicate ESG value to key stakeholders

Step 1: think about who would benefit from seeing your ESG results - investors, customers, partners, or even your own team. Choose audiences that are important to your business strategy and tailor your communication to their interests.

Step 2: for each audience, write a short message (2–3 sentences) that highlights how your ESG efforts bring value - financial, ethical, or operational. You should focus on the benefit to them, for example, “Our energy-saving efforts have cut costs and support your carbon-neutral supply chain goals.”

Step 3: select the most effective way to deliver your message - e.g., social media, email, pitch deck, or a report summary. Match your format to your audience: visual for customers, data-focused for investors. Think about how often you might repeat or update this communication in the future.



To help you further



ESG metrics and stakeholder engagement

https://youtu.be/4x_Fa6ABSUU



ESG reporting and communications

<https://youtu.be/GauX1hiWKLo>



Communicating your ESG story to stakeholders

<https://shorturl.at/r8zho>



Tips for effective communication of ESG impact

<https://youtu.be/fwGT-3YLmAc>



Task card 2:

Measure and evaluate ESG value

In a nutshell

You have learned how to select meaningful ESG metrics, structure simple impact reporting, and communicate sustainability value to key stakeholders in a strategic and credible way.

This task has shown that clear ESG communication is not just about reporting – it is a powerful tool to build trust, attract funding and drive strategic growth.

Explore ESG reporting frameworks like the Global Reporting Initiative and the B Impact Initiative, practice updating your metrics quarterly, and share your sustainability story through platforms like your website or pitch deck.

Storytelling scenarios

Scenario 1: The packaging dilemma

Sofia recently launched a skincare brand using locally sourced organic ingredients. After a successful pilot run, she is planning to scale production and is finalising her financial strategy. Her accountant suggests revisiting her cost assumptions, especially packaging - a key cost driver.

She faces two options: low-cost plastic jars that keep costs down but do not align with her brand's sustainability values or eco-friendly biodegradable containers that align with ESG goals but cost 35% more.

Initially hesitant, Sofia begins researching how this decision fits into a broader ESG strategy, mapping the ESG impacts of each option and estimates the financial trade-offs - such as long-term brand value, customer loyalty, and potential access to green funding.



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Scenario 1: The packaging dilemma

She also reaches out to a sustainable supplier who offers bulk discounts for small brands and finally decides to opt for the eco-friendly biodegradable containers.

She wonders how she could track the ESG benefit of this choice, and if her financial plan should now include ESG-driven investments and related KPIs. Sofia then introduces two ESG indicators into her financial tracking: percentage of biodegradable packaging used, and customer satisfaction linked to sustainability. She adds them to her quarterly Key Performance Indicator (KPI) dashboard and commits to reporting progress in her investor updates.

By aligning her financial planning with clear ESG metrics, Sofia turns a short-term cost increase into a long-term strategic advantage.



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Scenario 1: The packaging dilemma

- 1 If you were in Sofia's position, how would you balance the higher cost of sustainable packaging with your business's financial goals?
- 2 What ESG indicators could you track in your own business to support decisions like Sofia's?
- 3 How would you communicate the value of an ESG-aligned decision - like Sofia's - to key stakeholders such as customers, partners, or funders?



After reading this story, you are now asked to reflect and answer the debriefing questions here presented. While doing it:

- ✓ Consider your priorities, values, and the expectations of your target customers or investors
- ✓ Think about what metrics would show both financial impact and sustainability performance
- ✓ Reflect on which formats or messages would be most effective and authentic for your brand
- ✓ Choose indicators that are easy to measure, relevant to your sector, and meaningful to your stakeholders



Scenario 1: The packaging dilemma



TRY TO

Track 1–2 ESG indicators that are directly relevant to your product or service, and include them in your financial or business plan



TRY TO

Explore funding or partnership opportunities that prioritise ESG alignment, such as green loans, sustainable supply chain partners, or ethical retailers



DO NOT

Treat ESG as a separate or optional activity - avoid building your financial plan without considering how ESG factors affect costs, risks, and growth potential



DO NOT

Choose sustainability actions purely for marketing purposes without ensuring they are backed by real data or measurable outcomes

Scenario 2: Numbers that speak

Ana is the founder of a coffee subscription startup that partners with small women-led farms. Her mission is clear: offer ethically sourced coffee while empowering farming communities.

So far, she has been paying fair prices, using compostable packaging, and planting trees for every order, but she never documented or measured her impact formally. Things change when a potential investor asks, 'Can you show me the actual impact of your supply chain?'

By then, Ana realises that she lacks the data to back up her sustainability claims. She understands that without measurable metrics, she is missing opportunities to secure funding, and this pushes her to ask: 'What sustainability metrics should I track?'; 'How do I turn them into a strategy that adds financial value?'



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Scenario 2: Numbers that speak

Thus, Ana begins by identifying three key ESG focus areas that reflect her values and resonate with her stakeholders: environmental – carbon emissions per delivery (offset through tree planting); social - % increase in income for women-led farming partners; governance – customer feedback on ethical practices (via post-purchase surveys).

She uses simple tools such as supplier payment records, shipping logs, and Google Forms to collect customer data.

Then, builds a basic ESG dashboard using Canva and Excel to clearly show trends over time. To communicate her value creation, she adds a ‘sustainability & impact’ section to her website, shares progress stories on Instagram and sends quarterly ESG updates to her investors. As a result, Ana can secure the partnership with the potential investor and starts building an impact reputation.



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Scenario 2: Numbers that speak

- 1 If you were in Ana's position, which 2–3 sustainability metrics would you choose to measure in your own business, and why?
- 2 What simple tools or processes could you use to collect, track, and present your ESG data?
- 3 How would you communicate your sustainability impact to different audiences (e.g., customers, investors, or partners)?



After reading this story, you are now asked to reflect and answer the debriefing questions here presented. While doing it:

- ✓ Think about what matters most to your mission, your customers, and potential funders
- ✓ Choose metrics that are easy to track with the tools and data you already have
- ✓ Consider using spreadsheets, surveys, or free design tools like Canva to create an impact dashboard
- ✓ Adapt your message to who you are speaking to - use data for investors and stories for customers



Scenario 2: Numbers that speak



TRY TO

Start small by tracking 2–3 ESG metrics that reflect your business values and operations, using tools like spreadsheets, surveys, or free dashboards



TRY TO

Share your progress regularly with key stakeholders, even if it is informal at first. Consider updates via email, social media, or a section on your website



DO NOT

Wait until you have perfect data to begin reporting your impact. It is better to show you are making progress and learning rather than saying nothing at all



DO NOT

Copy ESG indicators from other businesses without considering what is truly relevant to yours. Avoid superficial reporting

Practical tips

Practical tip 1: How can I embed purpose in my budget?

Your budget is one of the clearest reflections of your business priorities. If you want your company to create positive social and environmental impact, your financial planning needs to support that vision.

So, start by assigning a specific portion of your budget to initiatives that align with your ESG goals - this could include switching to sustainable materials, investing in staff wellbeing, or offsetting carbon emissions.

Even if the amounts are small at first, they send a strong message and create accountability. Embedding ESG into your budget does not mean sacrificing financial performance – it is about long-term thinking, risk management, and value creation.



To learn more about

Consider the following resource, where this topic is explored in more depth:

A practical roadmap for integrating ESG principles into core business planning. It emphasizes aligning ESG with financial goals, engaging stakeholders, setting measurable targets, and embedding ESG thinking into governance and day-to-day decision-making.



10 ESG questions to ask

<https://shorturl.at/FfVxp>



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Practical tip 2: How can I use data to guide sustainable choices?

Financial decisions often focus on costs and returns, but integrating ESG data adds a new dimension: long-term impact.

To lead effectively, begin by incorporating ESG indicators into your key decisions. This could include choosing suppliers with better labour standards, calculating your carbon footprint before launching a new product, or assessing gender balance when hiring leadership roles.

Use simple tools like checklists, scorecards, or comparison tables to weigh financial and ESG impacts side by side. These practices make your decisions more strategic and defensible, especially when pitching to impact investors or grant bodies. Start with what is measurable now and build from there.



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To learn more about

Consider the following resource, where this topic is explored in more depth:

A guide that offers practical insights into establishing a consistent approach to identifying relevant ESG metrics, measuring, and reporting progress. It emphasizes the foundation of effective ESG information use, enabling more informed investment decisions.



ESG metrics that matter

<https://assets.kpmg.com/content/dam/kpmg/pt/pdf/esg-metrics-that-matter-web-final.pdf>



Practical tip 3: What small initiative can I launch right now?

You do not need a perfect ESG strategy to lead, you just need to start. Launching a small sustainability-aligned initiative is one of the most effective ways to create impact and build momentum.

It could be offering eco-friendly delivery options, switching to digital receipts, or launching a 'pay-it-forward' product that supports a cause. The goal is not scale, it is action. So, track a few key results (like cost, customer feedback, or environmental savings) and use those insights to refine or expand your efforts.

Document the process and share what you learn with your team, customers, or peers. Small wins give you the confidence to take bigger steps and, as a leader, you are showing that you are willing to take initiative.



To learn more about

Consider the following resource, where this topic is explored in more depth:

A video explaining how sustainability metrics help businesses measure ESG impact in a meaningful way. It highlights the importance of selecting relevant, strategic indicators that align with long-term goals and stakeholder expectations to drive accountability and create value.



Sustainability in small business

<https://youtu.be/mIqpk53N-Bo>



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Practical tip 4: Am I sharing my ESG wins with others?

Sharing your sustainability efforts is not bragging, it is leadership. Too often, entrepreneurs wait until their ESG strategy is fully formed before communicating it. But small updates are powerful.

So, start by sharing simple wins: a new supplier aligned with your values, a change in packaging, or a social cause you have supported. Use your website, newsletter, social media, etc. to make your efforts visible.

When others see your transparency, it gives them permission to do the same. You will build connections, attract like-minded collaborators, and inspire others to act in their own businesses. Most importantly, sharing your journey helps normalise the practice of integrating ESG into entrepreneurship.



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To learn more about

Consider the following resource, where this topic is explored in more depth:

An article highlighting the importance of tailoring ESG messages to different audiences, using storytelling backed data and maintaining transparency. It emphasizes that clear, consistent and audience-specific communication enhances credibility in ESG efforts.



Effective strategies for ESG communication

<https://esgthereport.com/effective-strategies-for-esg-communications/>



Practical tip 5: **Can I build a peer circle for shared learning?**

Change does not happen in isolation - it thrives in community. One of the most effective ways to grow your leadership is to gather a few peers who are interested in sustainable finance and meet regularly to share challenges, resources, and ideas. You do not need to be an expert, just be willing to initiate and stay curious.

Use tools like shared documents, WhatsApp groups, or monthly calls to stay connected. You might exchange funding leads, share ESG tools, or troubleshoot supplier dilemmas together. Peer circles reduce isolation, accelerate learning, and amplify impact.

As you grow more confident, your circle can grow too. Being a change agent starts with inviting others to learn and lead alongside you – expanding into a local meetup, workshop, etc.



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To learn more about

Consider the following resource, where this topic is explored in more depth:

A guide that offers practical steps for creating and governing a community of practice or peer network, providing real-world insights into how these can foster learning, collaboration and collective leadership – especially useful for entrepreneurs' communities.



How to create and manage a community of practice

<https://shorturl.at/VAtXt>



Practical tip 6: **Am I starting ESG conversations with my partners?**

You do not have to change the world alone, but you can influence the system around you by asking questions. So, start conversations with your suppliers, collaborators, and investors about their sustainability goals and ESG practices.

These dialogues open the door to better alignment, co-created solutions, and often more ethical business relationships. For example, you might ask a supplier if they offer low-impact materials or suggest joint marketing with a partner around shared ESG values.

Even if the answer is 'not yet', over time, these conversations help build a community of practice around you - one where sustainable finance becomes the norm, not the exception.



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To learn more about

Consider the following resource, where this topic is explored in more depth:

An article highlighting alignment of ESG values across the supply chain and investment relationships. It emphasizes that open dialogue, transparency and shared sustainability goals between entrepreneurs, suppliers and investors are key to build responsible ecosystems.



Collaboration with suppliers and investors for shared goals

<https://shorturl.at/iSL1d>



Learning resources

Additional online resources to help you broaden your understanding on budgeting and financial planning

Useful resources

- 1 ESG handbook**
<https://shorturl.at/8Ypna>
- 2 How to conduct ESG materiality analysis**
<https://shorturl.at/ub7FP>
- 3 2024 key regulations and emerging trends**
<https://shorturl.at/Uxf1N>
- 4 EU briefing on green and sustainable finance**
<https://shorturl.at/O0r29>
- 5 Integrating ESG into financial decision-making**
<https://shorturl.at/RH1jZ>
- 6 Top 10 ESG frameworks**
<https://shorturl.at/onkuL>



Useful resources

- 1 The ESG toolkit for companies**
<https://shorturl.at/uBAEX>
- 2 ESG value creation journey**
<https://shorturl.at/slbQ3>
- 3 Balancing ESG risks with financial reporting**
<https://shorturl.at/ulpZ5>
- 4 How to design game-changing ESG KPIs**
<https://shorturl.at/pcVLA>
- 5 Sustainability peer-to-peer sharing**
<https://shorturl.at/N5JXt>
- 6 Peer-to-peer recommendations for sustainable finance**
<https://shorturl.at/RrbWy>



Well done! What is next on your journey?

Go ahead and select a new module!

Module 1

Budgeting and financial planning

Module 2

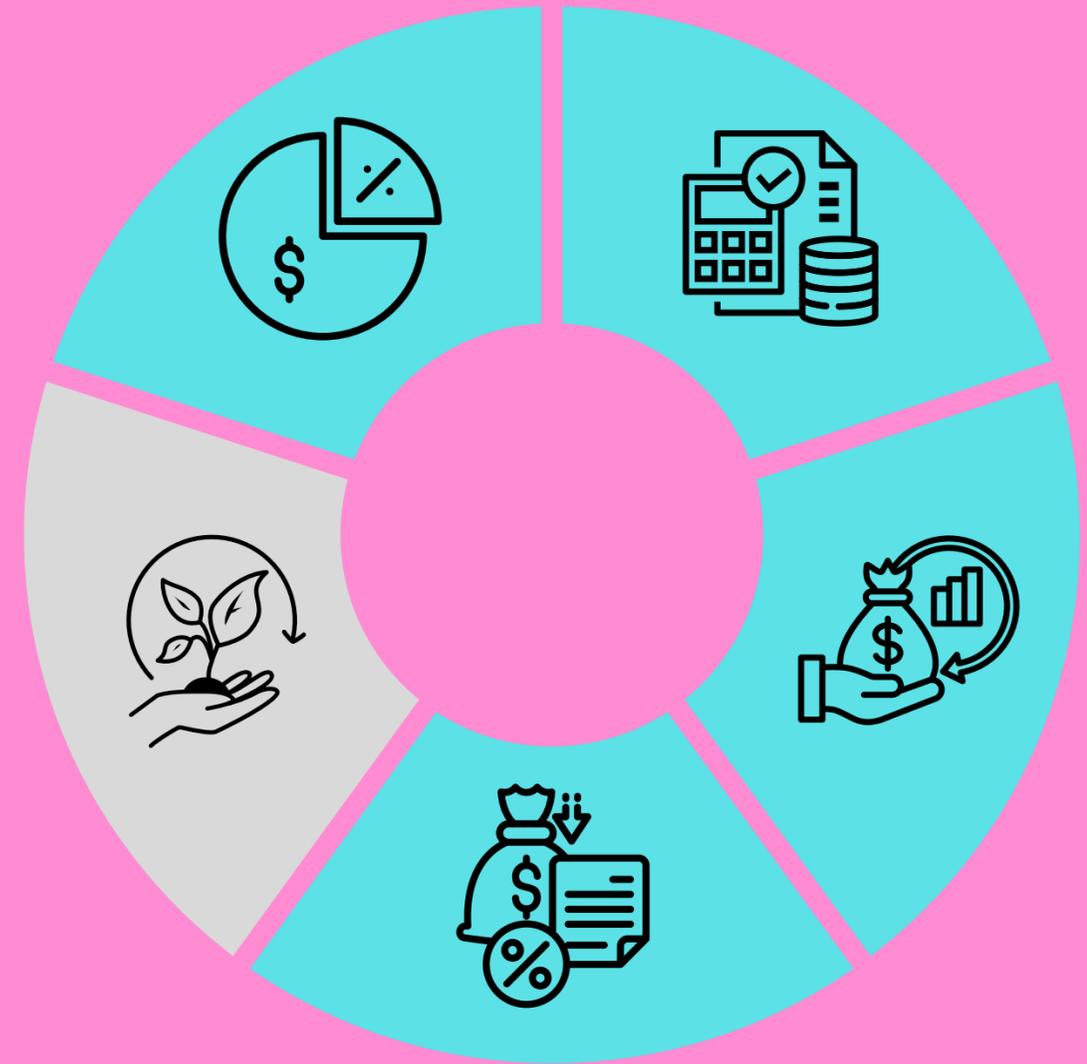
Understanding financial statements

Module 3

Investment knowledge

Module 4

Debt and risk management



The partnership

Meet the partners



[excel-erasmus-project](https://www.linkedin.com/company/excel-erasmus-project)



[excel-erasmus.eu](https://www.excel-erasmus.eu)



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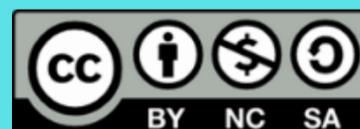
ADVANCED FINANCIAL SKILLS AS A CATALYST FOR WOMEN ENTREPRENEURS' TRANSFORMATIVE POWER



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