



Company Y

ESG REPORT 2025

January 2025
Cyprus, Nicosia

Executive Summary

The 2025 Environmental, Social, and Governance (ESG) Report for Company Y presents an overview of the company's commitment to sustainability, responsible business practices, and long-term value creation. As one of the few companies in Cyprus to take this step, Company Y demonstrates its commitment to transparency, sustainability, and responsible business practices. This report, created through the EU-funded project Mess4ge, reflects the company's ongoing efforts to integrate ESG principles into its core operations and investment strategies, setting a benchmark for others in the region.

Looking forward, Company Y aims to deepen its ESG integration across all aspects of its portfolio, building on the foundations laid by Mess4ge. The firm will continue to push for the advancement of responsible investing, leveraging EU resources to drive innovation in sustainable business practices.

This report marks an important step in companies' journey toward greater sustainability and responsible investment, establishing the company as one of the few pioneers in Cyprus to produce an official ESG report.



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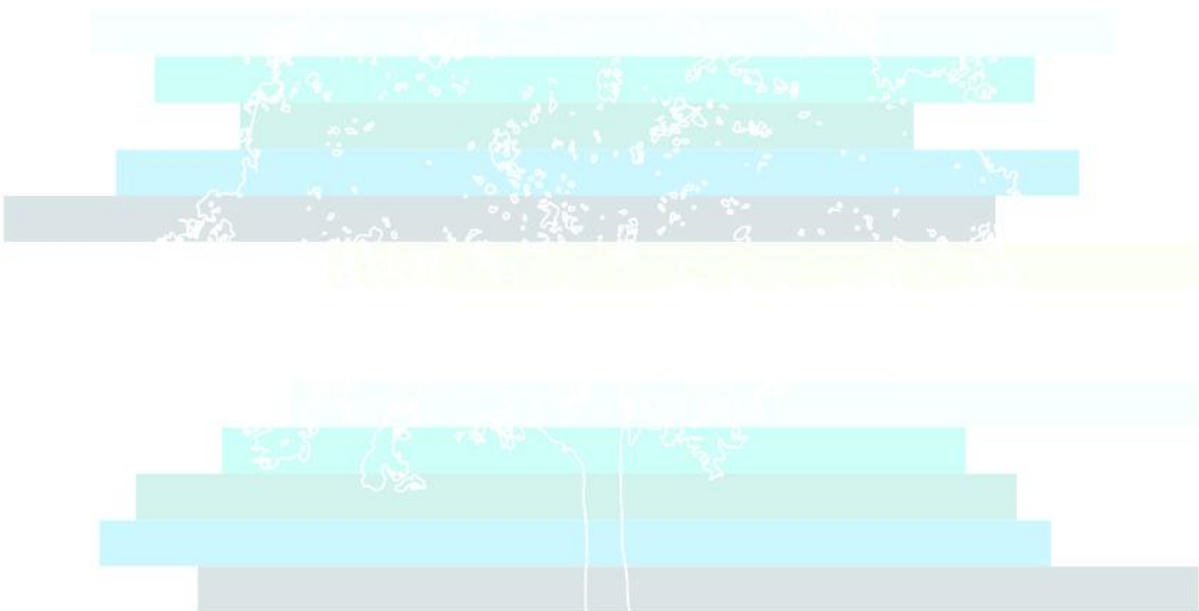


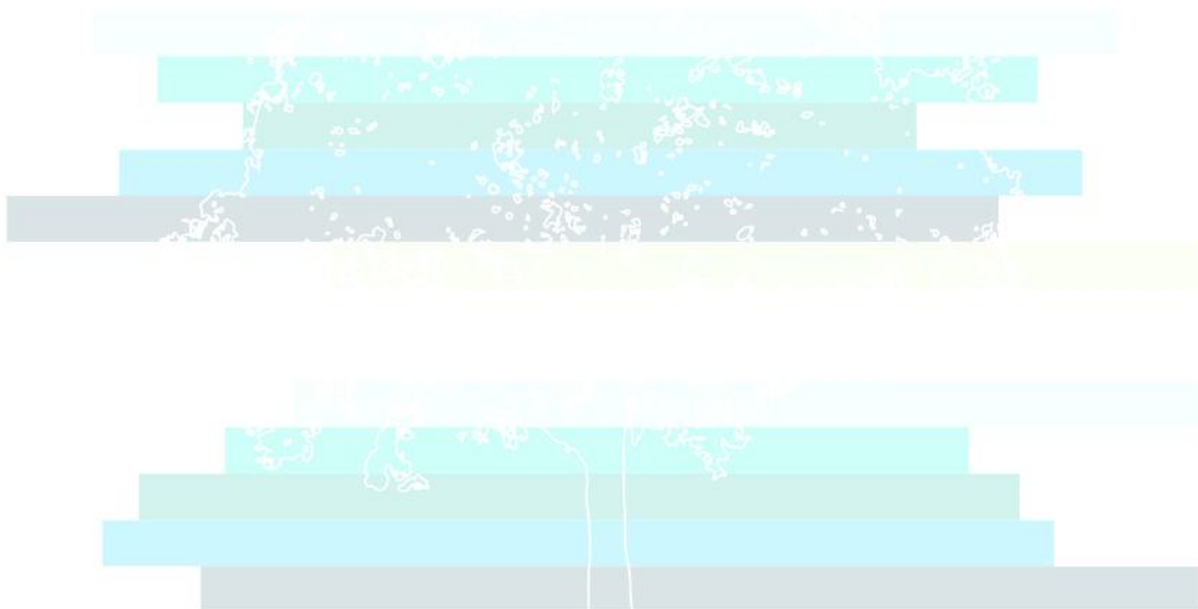
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1. General Disclosures

a. Company overview

Company Y, founded in 1999, is a leading consulting firm dedicated to providing high-quality advisory and training services to the business world. The company's mission is to foster the development of businesses, whether large, small, medium-sized, or local social/economic units, helping them grow and become competitive. Special emphasis is placed on supporting entrepreneurs to act with a developmental, innovative, and rational mindset during both critical and stable phases of their business operations, focusing on key and crucial issues.

The company has been involved in and successfully executed numerous projects related to European and national grant and funding programs. Company Y has focused on developmental projects, human resource development, business growth, innovation, strategic business development, entrepreneurship, and incubator management to promote innovative ideas.

The company offers a wide range of services, including the preparation, monitoring, implementation, and drafting of studies, the execution of projects, submission of funding proposals, and the evaluation and supervision of developmental plans and programs. It also oversees the effective implementation of these initiatives.

Leveraging the extensive experience of its management team in the business sector, Company Y specializes in organizing training seminars. It has coordinated various training activities, organized, evaluated, and presented numerous seminars on topics related to the management of large and small businesses, as well as private and public organizations. The training focuses on areas such as management, strategy, change management, entrepreneurship, leadership skills, and many other business-related topics.

Additionally, Company Y provides specialized training seminars tailored to the unique needs of each organization, considering market trends, competitive conditions, and the dynamic external and internal environments. The company is committed to delivering practical and relevant educational content to help businesses stay competitive and thrive in a rapidly evolving landscape.

Company Y collaborates with major companies both within Cyprus and internationally, assisting in staffing and guiding their boards of directors. Furthermore, the company is accredited by the Cyprus Securities and Exchange Commission (CySEC) for investment advisory, management, and company disclosure services.

b. Mission and values

Our mission is to provide continuous, high-quality, personalized advisory services and professional guidance to Cypriot businesses with the goal of:

- Constantly improving their competitiveness and productivity
- Maximizing the utilization of available financial opportunities for the benefit of the business
- Enhancing the effectiveness of strategic decisions
- Strengthening change management and mitigating/preventing risks
- Developing comprehensive strategies for a secure and profitable future
- Securing financial resources for rational and sustainable growth

We are committed to ensuring the long-term success and resilience of businesses by guiding them through challenges and helping them achieve sustainable development in both stable and crisis periods.

Our vision is to create a model, dynamic, innovative, and reliable organization that leads the way in reorganizing businesses in Cyprus, enabling them to withstand the current crisis and any future ones while growing beyond these challenges.

The company aims to provide a wide range of consulting services, including business guidance, resource acquisition, strategic development, planning, and implementation.

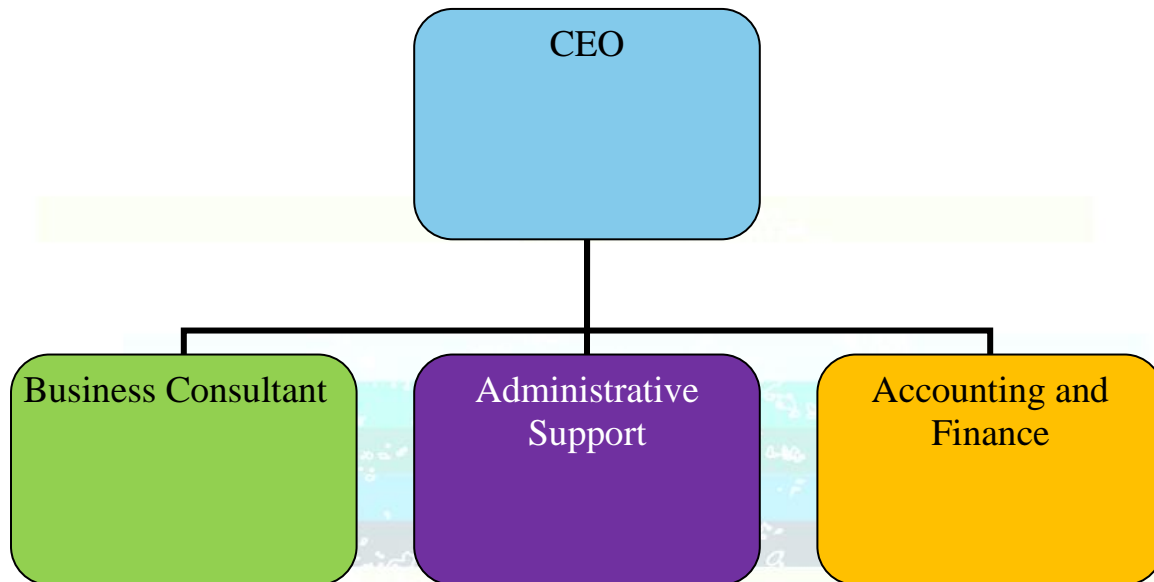
A key element in our vision is the development of long-term, multifaceted relationships and close cooperation with our clients, based on mutual trust. These factors ensure the shared achievement of desired goals, benefiting the business, the economic entity, and the economy as a whole.

Core Values

- **Innovation:** We continuously seek innovative solutions to enhance business competitiveness and productivity.
- **Integrity:** We operate with transparency, honesty, and respect for all stakeholders.
- **Collaboration:** We value close, long-term partnerships based on trust, working together to achieve mutual success.
- **Sustainability:** We focus on delivering solutions that promote long-term, sustainable growth.
- **Excellence:** We strive for excellence in every service we provide, ensuring the highest standards of professionalism and quality.

c. Organisation chart

The organisation chart for Company Y shows the small size of the consulting group. It shows the CEO at the top, with two employees in roles such as business consultant and administrative support.



2. Materiality assessment

For small and medium-sized companies, the process of completing the table below is considered a more practical and manageable approach, particularly during the initial years of preparing sustainability reports based on the theoretical analysis of Mess4ge ESG reporting template.

The table provides a straightforward framework for organizing and prioritizing material aspects, ensuring the process remains feasible while still yielding meaningful insights.

Stakeholder group	Communication channel	Frequency of communication ¹
Employees	Internal communication through meetings, email communication, personal communication	5 (Very often)

¹ Based on the Mess4ge ESG reporting template the scale is from 1 (rarely) to 5 (very often)

Customers	Personal communication, email, social media, events	4 (Often)
Suppliers	Personal communication, email, social media, events	4 (Often)
Governance bodies	Email, social media	2 (Occasionally)

Table 1. Stakeholder Analysis

This year marks the first time Company Y is preparing an ESG report, reflecting our commitment to sustainability and transparency. Given this milestone, we initially conducted a materiality analysis based on the perspectives of our employees, who assessed the material aspects of each stakeholder group. In the table below the stakeholders the sustainability issues that are essential.

Stakeholder group	Material issues concerning the Environment	Material issues concerning Society	Material issues concerning Governance
Employees	Resources usage	Training and career chances, salary, successful employee-employer communication, balance between personal and professional life, workplace safety, employee wellness and health promotion initiatives, occupational accident prevention and management	Legal observance, policy dissemination, and any notable violations
Customers	Environmental policy, mitigation plans and actions taken to reduce greenhouse gas emission and improve efficiency, impact of	Workplace safety, successful employee-employer communication.	Board Diversity and Independence

	business operation on the ecosystem and biodiversity, management and reduction policies of waste.		
Suppliers	The management and reduction policies of waste	Workplace safety.	Legal observance, policy dissemination, and any notable violations
Governance bodies	Companies' environmental policy, mitigation plans and actions taken to reduce greenhouse gas emission and improve efficiency	Workplace safety, fair salary structure and equal opportunities.	Legal observance, policy dissemination, and any notable violations

Table 2. Material issues per stakeholder group.

3. Environmental indicators

As Company Y is a fully remote company, with all employees working from home, many of the environmental indicators typically included in sustainability reports are not directly applicable to our operations. This unique structure significantly minimizes our environmental footprint, as we do not manage office spaces, we have only one company vehicle, and we don't have any other facilities that contribute to energy consumption and resource usage.

Nevertheless, we remain committed to assessing and addressing our environmental impact wherever relevant and identifying opportunities to promote sustainable practices within our remote work model.

E1 - Total Energy Consumption & Mix

	2022	2023	2024
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E1-1 Energy consumption	NA	NA	NA
E1-2 Fuel consumption	≈ 450 liters	≈ 480 liters	≈ 500 liters
E1-3 Energy consumption for heating and refrigeration	NA	NA	NA

Table 3. E1 - Total Energy Consumption & Mix.

E2- Total Water Usage

Given that Company Y operates as a fully remote company, water usage indicators are not directly applicable, as we do not maintain physical office spaces or facilities that consume water.

	2022	2023	2024
E2-1 Water usage	NA	NA	NA
E2-2 Water usage index	NA	NA	NA
E2-3 Policies for saving water	NA	NA	NA

Table 4. E2- Total Water Usage.

E3- Greenhouse Gas Emissions

For the calculation of our Greenhouse Gas (GHG) emissions, we will focus solely on the fuel consumption of the single company-owned vehicle, as this is the primary source of emissions within our operations.

	2022	2023	2024
E3-1 CO2 emission	7.01 tonnes	7.75 tonnes	7.95 tonnes
E3-2 Policies to reduce CO2 emissions	x	x	Replace existing car with hybrid or full electric

Table 5.E3- Greenhouse Gas Emissions.

In 2024, Company Y made the strategic decision to replace the current company vehicle within the next 2 to 3 years as part of our commitment to reducing CO2 emissions. This decision reflects our ongoing efforts to improve our environmental performance and align with sustainability goals. By transitioning to a more fuel-efficient or electric vehicle, we aim to significantly lower our carbon footprint and contribute to a cleaner, more sustainable future. This initiative is a key step in our

broader sustainability strategy, which continues to evolve as we identify new opportunities to minimize our environmental impact.

E4 – Total Waste Generation

As a fully remote company, our primary waste consists of paper used for printing, which is now minimal due to our transition to digital communication and documentation. We remain committed to further reducing paper usage and enhancing our waste management practices, focusing on sustainability and minimizing our environmental impact. The chart below outlines the details of our current waste generation metrics



E5-Recycling Rate

The paper, which constitutes the primary waste generated by the company, is fully recycled, with 100% of it being processed through recycling channels each year.

	2022	2023	2024
E5-1 Waste weight recycled per year	100%	100%	100%
E5-2 Recycling policies	NA	NA	Applicable

Table 6. E5-Recycling Rate.

In 2024, Company Y introduced a straightforward recycling policy aimed at promoting sustainability within the company. The policy focuses on the proper

disposal of paper waste, including paper boxes and envelopes, which are the primary materials generated by our remote team.

Employees are encouraged to recycle all such waste by placing it in designated recycling bins provided in their homes. This simple yet effective initiative ensures that all paper waste is properly sorted and recycled, supporting our commitment to reducing our environmental impact and contributing to a circular economy.



4. Social indicators

In this section, we present key social indicators related to the characteristics of Company Y' employees. The following tables and graphs provide an overview of our employees' demographics, highlighting key aspects such as age, gender, and employment type, which are important for understanding the social dimensions of our operations.

S1-Characteristics of Employees

	2022	2023	2024
S1-1 Number of employees	4	3	2
S1-2 FT Ratio	0,75	1	1
S1-2 PT Ratio	0,25	0	0
S1-3 Gender Distribution	1 Female 3 Male	1 Female 2 Male	1 Male 1 Female
S1-4 Nationality Distribution	Only native workers	Only native workers	Only native workers

Table 7. S1-Characteristics of Employees.

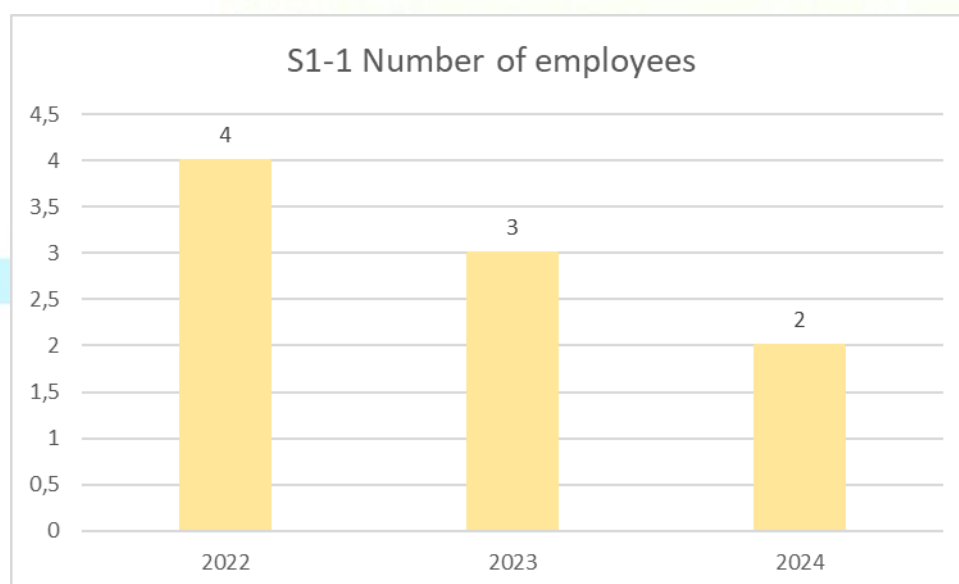


Figure 2. Number of employees.

As of 2023, the full-time employee ratio at Company Y is equal to 1, reflecting our commitment to promoting full-time employment. This policy supports job stability and ensures that our team members can fully engage with the company's goals, contributing to both their personal development and the overall success of the organization.

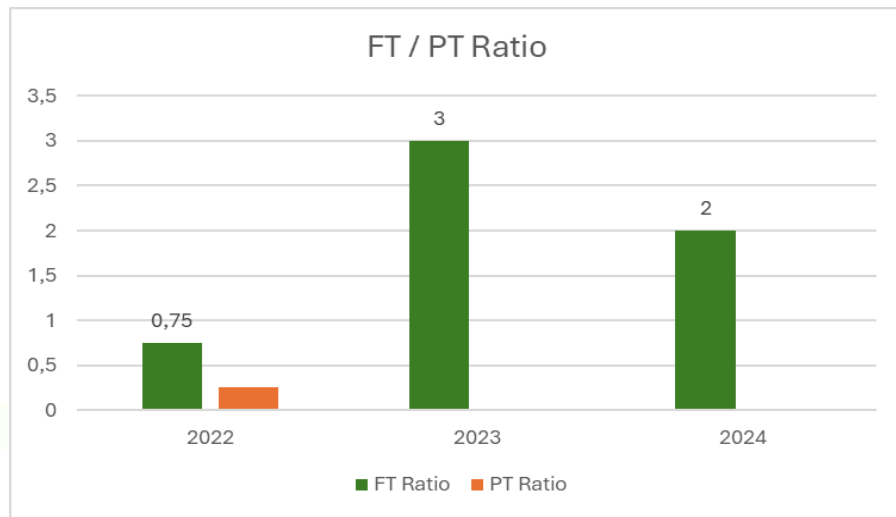


Figure 3. Full time and part time ratio.

The following three pie charts illustrate the gender distribution of Company Y' employees over the past three years. In 2022, the company had 1 female employee and 3 male employees, while in 2023, the distribution shifted to 1 female and 3 male employees. For 2024, the gender balance has equalized, with 1 male and 1 female employee.

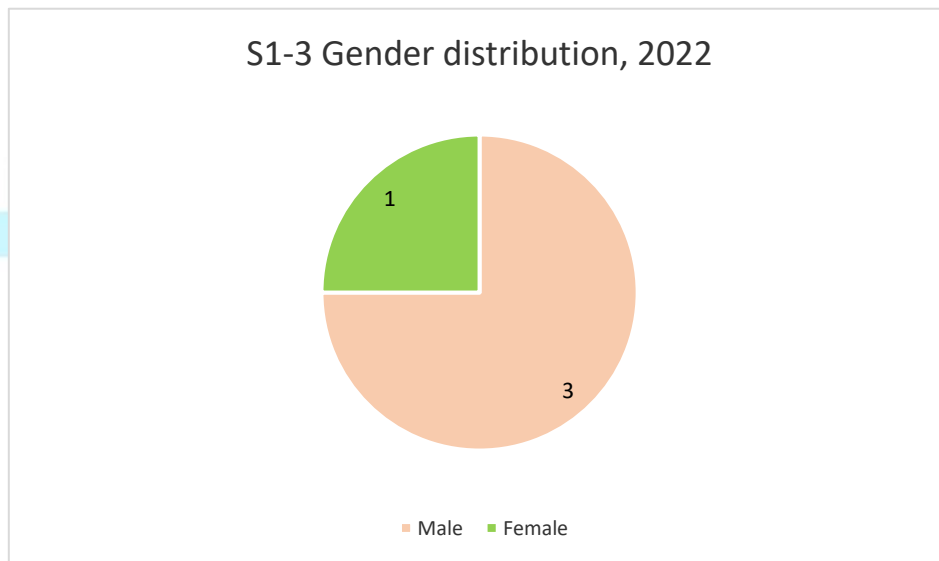


Figure 4. Gender distribution, 2022.

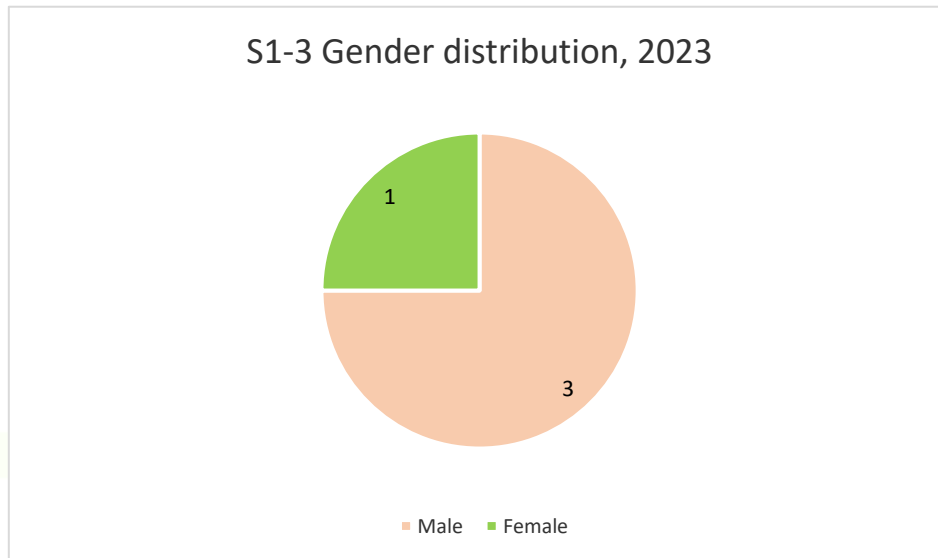


Figure 5. Gender distribution, 2023.

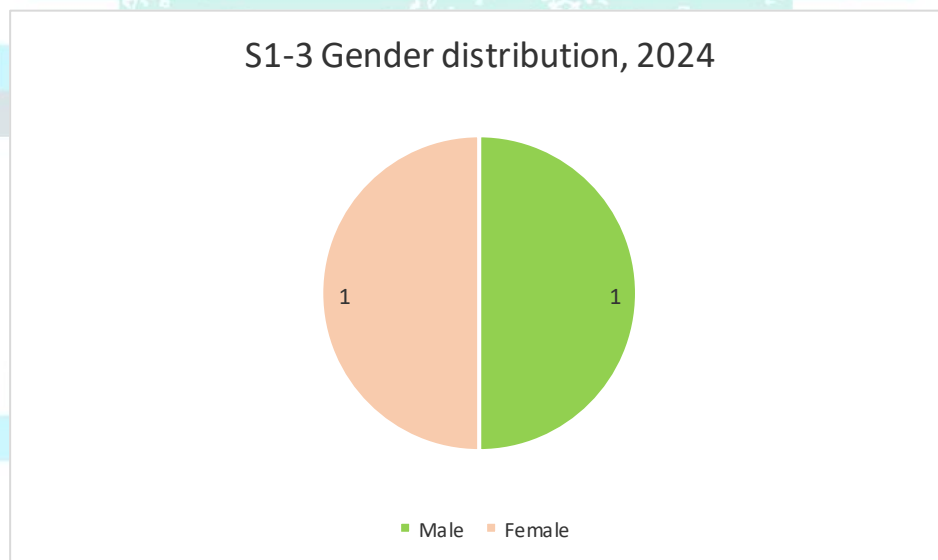


Figure 6. Gender distribution, 2024.

S2-Diversity & Inclusion indicators

Company Y is committed to fostering a diverse and inclusive work environment, where all employees, regardless of gender, background, or identity, are valued and respected. Our practices aim to promote equal opportunities and ensure that every team member feels supported and empowered to contribute to the company's success.

The following indicators highlight our ongoing efforts in this area.

	2022	2023	2024
S2-1 Policies	NA	NA	NA
S2-2 Gender distribution in number and percentage at top management level amongst its employees.	1 male, 1 female	1 Female	1 female
S2-3 Distribution of employees by age group	1 under 30, 3 from 30-50.	3 from 30 to 50.	2 from 30 to 50.
S2-4 Percentage of employees with disabilities amongst SME's employees	0%	0%	0%

Table 8. S2-Diversity & Inclusion indicators.

For S2-1 we note that given the small size of our workforce, with 4 employees in 2022, 3 in 2023, and 2 in 2024, Company Y does not have any formal employee policies in place. Despite this, we are committed to ensuring a supportive and inclusive work environment, prioritizing respect, fairness, and equal opportunities for all team members.

The following figures provide an overview of the gender distribution among top managers at Company Y, including the number of male and female top managers, as well as the distribution of employees by age group.

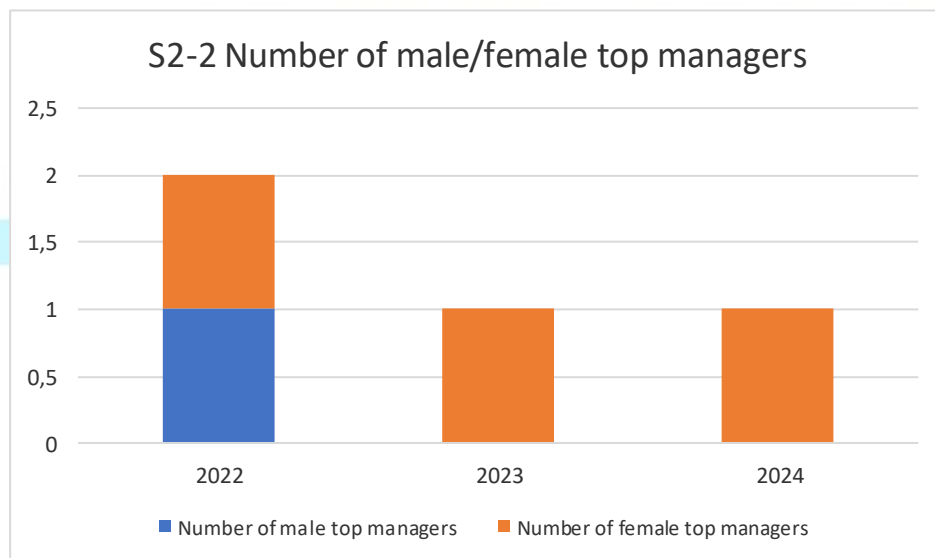


Figure 7. Number of male/female top managers.

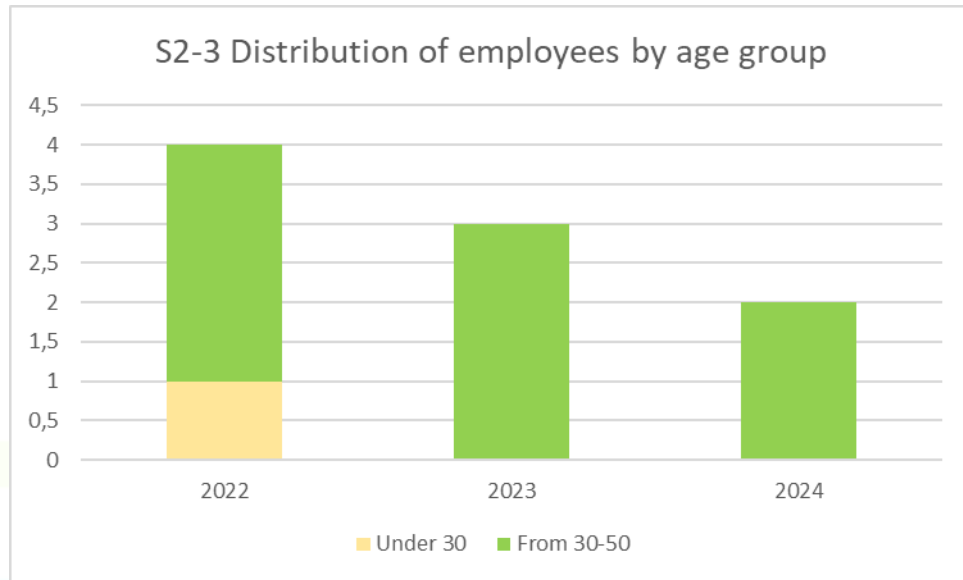


Figure 8. Distribution of employees by age group.

S3- Work life balance

The following indicators provide insights into Company Y' approach to work-life balance, reflecting our commitment to supporting employees in balancing their professional and personal lives.

These indicators cover the availability of family-related leave, employee participation in such leave, the number of extra hours worked, and our policies on maintaining work-life balance. As a remote company, we prioritize flexibility, and the tables below outline our policies and data related to these aspects for the years 2022 to 2024.

	2022	2023	2024
S3-1 Percentage of employees entitled to take family-related leaves	25%	0%	0%
S3-2 Percentage of entitled employees that took family-related leaves, and a breakdown by gender	1 Female	-	-
S3-3 Number of extra hours the employees work per year	NA	NA	NA
S3-4 Policies regarding keeping balance between work and personal life (on-call/stand by policies)	Flexible working hours	Flexible working hours	Flexible working hours

Table 9. S3- Work life balance.

S4- Training and skills development

The following indicators provide insights into Company Y' training and skills development. The percentage of employees that participated in regular performance and career development reviews are zero for the three years, as the number of employees does not exceed 4.

So, there are no regular performance and career development reviews. The team discusses any opportunities and gets involved in training activities when needed.

	2022	2023	2024
S4-1 Percentage of employees that participated in regular performance and career development reviews; such information shall be broken down by employee category and by gender	NA	NA	NA
S4-2 Average number of training hours per employee, by employee category and by gender	18	19	20

Table 10. S4- Training and skills development.

The following data shows the average number of training hours per employee at Company Y, with the total hours reflecting the company's ongoing investment in employee development, which has increased steadily over the past three years.

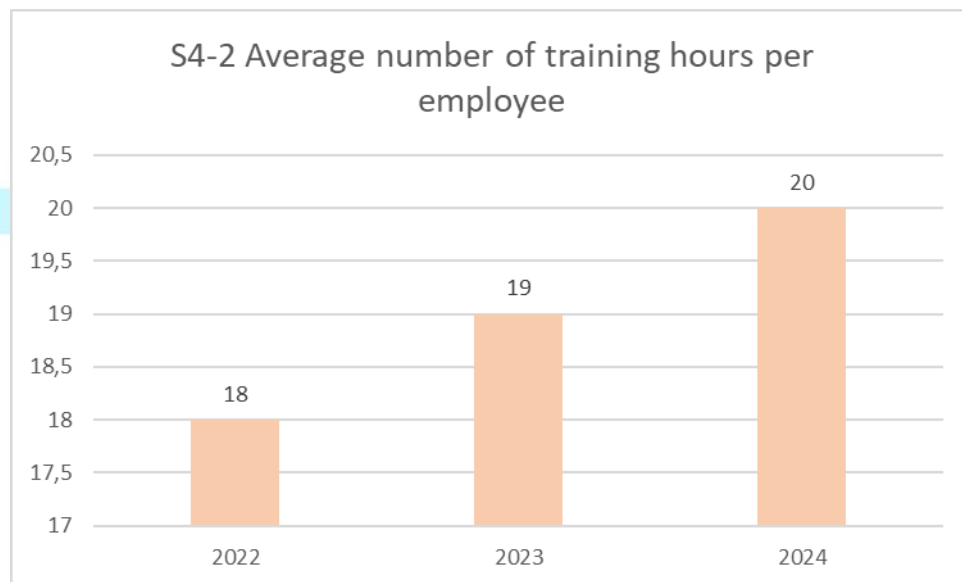


Figure 9. Average number of training hours per employee.

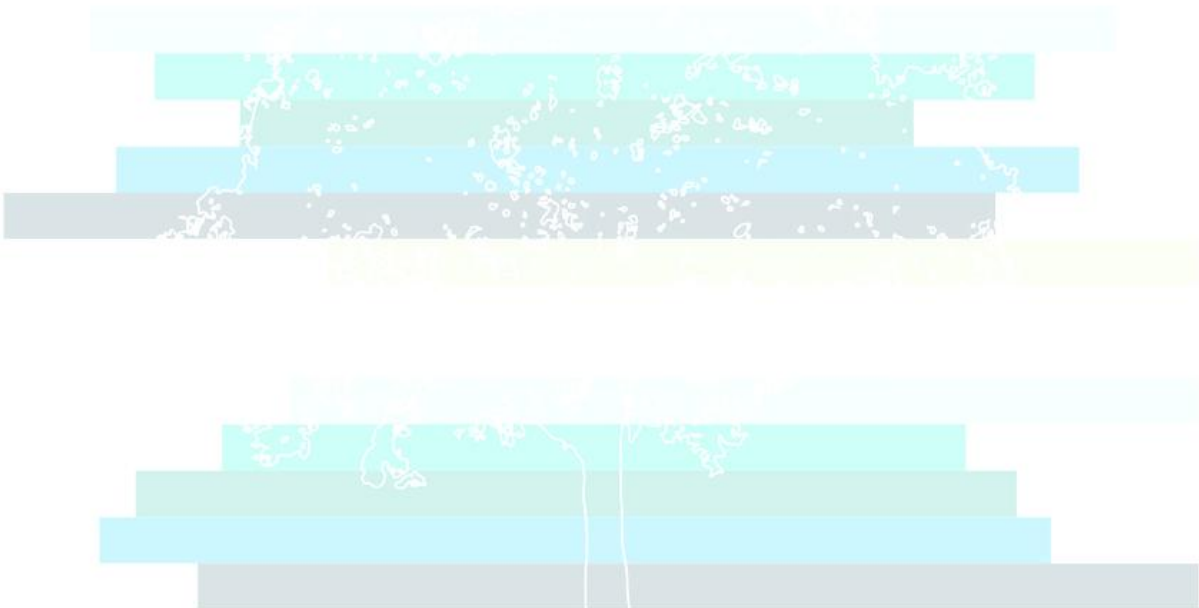
Company Y has one female employee, and she completed all the training sessions. Therefore, the total of 18 hours of training in 2022, 19 hours in 2023, and 20 hours in 2024 reflect the number of training hours per employee.

S5-Social protection

Based on the following table, all the employees at Company Y are covered by social protection, either through public programs or benefits provided by the company, in the event of major life events that may result in a loss of income.

	2022	2023	2024
S5-1 Percentage of employees covered by social protection, through public programs or through benefits offered by the undertaking, against loss of income due to any of the following major life events	100%	100%	100%

Table 11. S5-Social protection.



5. Governance indicators

Given the small size of Company Y, our governance structure is straightforward and streamlined. We have a simplified approach to decision-making and oversight, with clear roles and responsibilities that support our commitment to transparency, accountability, and ethical business practices. The following governance indicators provide an overview of our practices in this area.

G1 - Board Diversity and Independence

	2022	2023	2024
G1-1 Composition of the Board (gender, nationality, skills, expertise)	2 male board members	2 male board members	2 male board members
G1-2 Percentage of independent directors	100%	100%	100%

Table 12. G1 - Board Diversity and Independence.

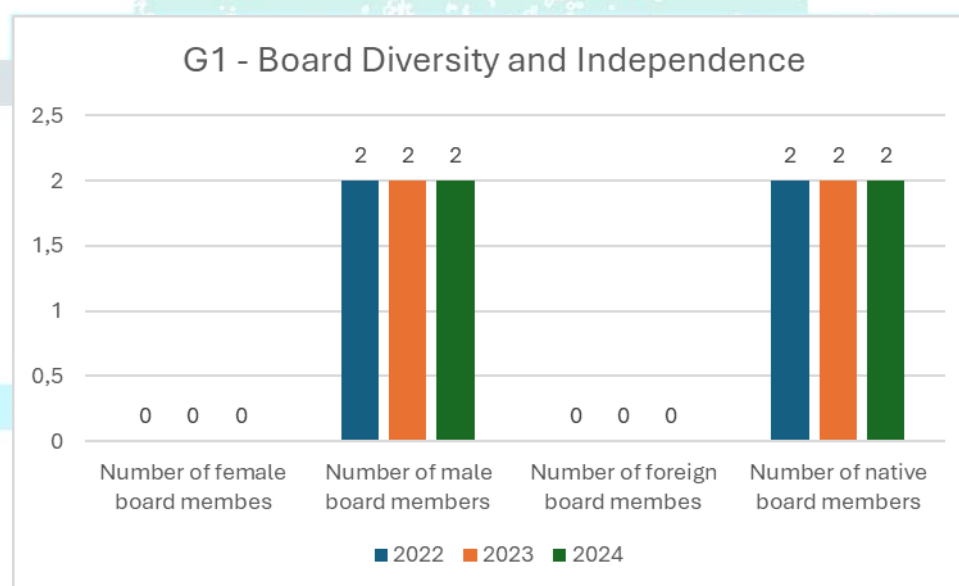


Figure 10. Board Diversity.

G2 - Corporate Governance Policy Adherence

Company Y operates with a small and streamlined team, where decision-making and oversight are informal and flexible. As a result, the company does not have a formal corporate governance policy in place, making the indicator G2 - Corporate Governance Policy Adherence not applicable.