

SUSTAINABILITY STRATEGY DEVELOPMENT AND REPORTING

Course code	<i>GRAB018</i>
Level of studies	<i>Graduate</i>
Number of credits	<i>6 ECTS; 36 class hours, 124 hours of self-study, 2 hours of consultation</i>
Course coordinator (title and name)	<i>Žygimantas Paknys e-mail: zygpak@faculty.ism.lt</i>
Prerequisites	<i>Undergraduate diploma</i>
Language of instruction	<i>English</i>

THE AIM OF THE COURSE

As global challenges related to climate change, resource scarcity, and social inequality become increasingly urgent, businesses and institutions face growing expectations to act responsibly and transparently. Understanding how to align organizational strategy with principles of environmental stewardship, social responsibility, and economic resilience is therefore a central aim of this module. This course is designed to equip students with the knowledge, skills, and analytical tools required to develop, implement, and critically assess sustainability strategies within a wide range of contemporary organizational contexts.

A further aim of the course is to build students' capability to engage with international sustainability standards and reporting frameworks. More recently, the ever-evolving requirements of the EU Corporate Sustainability Reporting Directive (CSRD) have been shaping the sustainability reporting landscape not only in the EU, but also elsewhere in the world. However, other standards will also be presented to create a thorough understanding of a wider array of reporting standards. Students will learn not only how to prepare robust sustainability reports but also how to critically evaluate such disclosures as tools for accountability, stakeholder engagement, and reputation management. This ensures that graduates can bridge the gap between compliance-oriented disclosure and the strategic use of sustainability as a driver of innovation and long-term value creation.

The course also aims to strengthen students' ability to think systemically and strategically about sustainability challenges across industries and sectors. By integrating case studies, applied projects, and critical debates, it encourages students to evaluate complex trade-offs, identify opportunities for sustainable transformation, and design strategies that harmonize economic growth with environmental and social priorities. In doing so, the course fosters the development of reflective professionals who can contribute meaningfully to advancing sustainability at organizational, sectoral, and societal levels.

Ultimately, the aim is to ensure that students completing this module are not only literate in sustainability reporting practices but also skilled in leveraging these practices as part of wider organizational strategies. They will be prepared to guide decision-makers, influence policy, and drive systemic change in line with evolving societal expectations and international sustainability goals.

LEARNING OUTCOMES

Course learning outcomes (CLO)	Study methods	Assessment methods
CLO1. To gain a foundational understanding of corporate sustainability concepts, reporting frameworks, and the role of reporting as both a compliance tool and a driver of strategic communication	Lectures, readings, online modules, self-study, in-class discussions	Participation, presentations, simulation
CLO2. To learn the key elements of the EU Green Deal, CSRD, and related regulations, assessing how evolving policy frameworks shape corporate sustainability practices and reporting obligations	Lectures, readings, online modules, self-study, in-class discussions	Participation, presentations, simulation
CLO3. To explore ESG metrics, data collection tools, and assurance challenges, developing the ability to critically evaluate data quality and its role in sustainability performance and reporting.	Lectures, readings, online modules, self-study, in-class discussions	Participation, presentations, simulation

CLO4. To understand the foundations of sustainability strategy development, including drivers, stakeholder mapping, and the integration of sustainability into business purpose and governance. The basis for this lecture is the CSRD (ESRS) and EFRAG implementation guidance	Lectures, modules, discussions	readings, self-study,	online in-class	Participation, presentations, simulation
CLO5. To build on strategy design by formulating objectives, KPIs, and transformation pathways, linking corporate strategies to SDGs and/or EU policies, risks, and future opportunities. The end goal of this lecture is to formulate a sustainability strategy (incl. priority/focus areas) that is aligned with business priorities	Lectures, modules, discussions	readings, self-study,	online in-class	Participation, presentations, simulation
CLO6. To analyze sustainability reports and strategies, identifying best practices, detecting weak disclosures, and synthesizing lessons for improved reporting. A key element within this lecture is for students to display their abilities to analyse and interpret publicly available data	Lectures, modules, discussions	readings, self-study,	online in-class	Participation, presentations, simulation
CLO7. To apply knowledge in a practical setting, collaboratively drafting sustainability report sections, integrating data and materiality, and refining communication techniques	Lectures, modules, discussions	readings, self-study,	online in-class	Participation, presentations, simulation
CLO8. To present draft strategies and reports, strengthen communication and teamwork skills, and receive structured peer and instructor feedback	Lectures, modules, discussions	readings, self-study,	online in-class	Participation, presentations, simulation
CLO9. To deliver final reports, demonstrate the integration of theory and practice, and consolidate learning into a capstone professional-level presentation	Lectures, modules, discussions	readings, self-study,	online in-class	Participation, presentations, simulation

ACADEMIC HONESTY AND INTEGRITY

The ISM University of Management and Economics Code of Ethics, including cheating and plagiarism are fully applicable and will be strictly enforced in the course. Academic dishonesty, and cheating will lead to a report to ISM's Committee of Ethics.

QUALITY ASSURANCE MEASURES

The lecturer will apply multiple teaching methods to keep the students engaged in the topic. Continuous student feedback will be invited and accommodated to improve class experience. Students are encouraged to e-mail the lecturer between the respective classes for any assistance or clarification needed.

COURSE OUTLINE

Session	Lecture title	In-class hours	Lecture activities and/or assignments
1	Intro into corporate sustainability & reporting	4	Discussion: How does corporate sustainability look now and how will it look in the future? CSR vs ESE vs ESG vs Sustainability. - Insight analysis from industry professionals: Andreas Rasche, Richard Gardiner and others - Introduction into the CSRD & ESRS (incl. VSME standards)
2	Sustainability regulations: the EU Green Deal	4	Discussion: EU Green Deal contents & structure, European Commission (2024) - Mario Draghi report (EU competitiveness) – sustainability policymaking and its implications within the wider policymaking landscape globally - The EU Omnibus and upcoming changes - UN80 Initiative: Workstream 2 – Mandate Implementation Review (consultative draft) - Global leader / decision-maker analysis: Tim Mohin, Patrick de Cambourg, Richard Gardiner
3	ESG data & tools	4	Discussion: What is a sustainable company? How do we report ESG? S&P, Bloomberg, Eco Vadis, CDP and other ESG indices

			- Analysis: Lithuanian and other global company ESG reporting - Understanding audit & assurance - Tools and frameworks for ESG reporting (e.g., ESRS data points)
4	Sustainability strategy development: DMA (I)	4	Case studies & analysis: Introduction into sustainability strategy creation. - Introduction into the consolidated European Sustainability Reporting Standards (ESRS) - EFRAG VC & DMA implementation guidance - Insight analysis from industry professionals: Andreas Rasche, Dr. Liad Ortar
5	Sustainability strategy development: DMA (II)	4	Workshop: Double Materiality Assessment - Stakeholder & value chain mapping - Preliminary material topics (sector-agnostic materiality) - Determining the ambition defining the methodology - Creating a materiality matrix
6	Case studies: sustainability strategy & report analysis	4	Case study: Group analysis of EU-based entity sustainability statements, including a high-level overview of: - The outcome of the DMA - Sustainability strategy & its alignment with the overall business strategy - The quantity & quality of sustainability disclosures and their interoperability with other business units The final task involved identifying potential gaps and/or distinguishing the difference between a 'holistic' versus performance-based sustainability strategies and reports.
7	Workshop: sustainability strategy preparation	4	Workshop: Process of creating and/or shaping a sustainability strategy (and report) - Defining project scope & stakeholders involved - Understanding materiality - Observing & documenting opinions and benchmarks - Implementing policies, targets, actions and metrics - Assigning responsibilities and maintaining progress
8	Student presentations (I)	4	Student presentations: Groups will present their analysis of sustainability strategies & preliminary reports
9	Student presentations (II)	4	Student presentations: Groups will present their analysis of sustainability strategies & preliminary reports
		Total: 36 hrs.	

FINAL GRADE COMPOSITION

Type of assignment	% of the total grade
Class participation (9 x 1%, +1% for all 9 participations)	10
Double Materiality Assessment simulation exercise	35
Final Team Project: Sustainability strategy presentations & analysis	55

Total:	100
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DESCRIPTION AND GRADING CRITERIA OF EACH ASSIGNMENT

Assessment 1. Class Participation (10%)

The course will be discussion-oriented and will require a high degree of participation by students in the classroom. Students may be expected to prepare for class by completing the assigned reading and/or case study analysis prior to the class and to participate in class sessions.

Assessment 2. Double Materiality Assessment simulation exercise (35%)

Students will engage in a hands-on experience to evaluate a company's sustainability impacts from both inside-out and outside-in perspectives. Students will assess how the company's operations affect the environment and society (impact materiality) while simultaneously examining how sustainability risks and opportunities influence the company's financial performance (financial materiality). Through simulated stakeholder engagement, data analysis (e.g., sustainability ratings & rankings), and contextual research, students will identify and prioritize material sustainability issues that are most significant for the company and its stakeholders. This exercise develops students' ability to integrate regulatory requirements, strategic thinking, and stakeholder input, transforming materiality assessment from a compliance task into a strategic business tool.

Assessment 3. Team Project: Sustainability strategy analysis & presentations (55%)

Students will be assigned a Lithuanian or EU-based organization that is not engaged in sustainability reporting (or at least not in line with the CSRD/ESRS requirements) and will analyse the company from publicly available information. After gaining an understanding of its operations, the students will map out the value chain of the company, identify its stakeholders, identify high-level materiality and ultimately, form a high-level sustainability strategy and prepare the company for future reporting. The exercise puts an emphasis on the students' ability to work in a simulated environment, where they must engage in complex discussions, which can vary highly both in terms of their scope and depth. Similarly, the students will be challenged by having to consider the opinions from a wide range of stakeholders, aiming to find a consensus between differing interests. The lecturer will also engage in a Q&A session during the presentations.

RETAKE

In case of an unsatisfactory exam grade, the students are allowed to resubmit their final paper. All assessment requirements are the same as for the Team Project, but it shall be an individually prepared paper of a smaller scope. The weight of a re-take paper (excluding the presentation) is 55% of the final grade. Double Materiality Assessment simulation exercise can not be retaken but its evaluation (if positive) is not annulled.

REQUIRED READINGS

Readings will be available on the internet or via e-learning. Assigned readings may be revised up until one week before class, so please check the syllabus regularly.