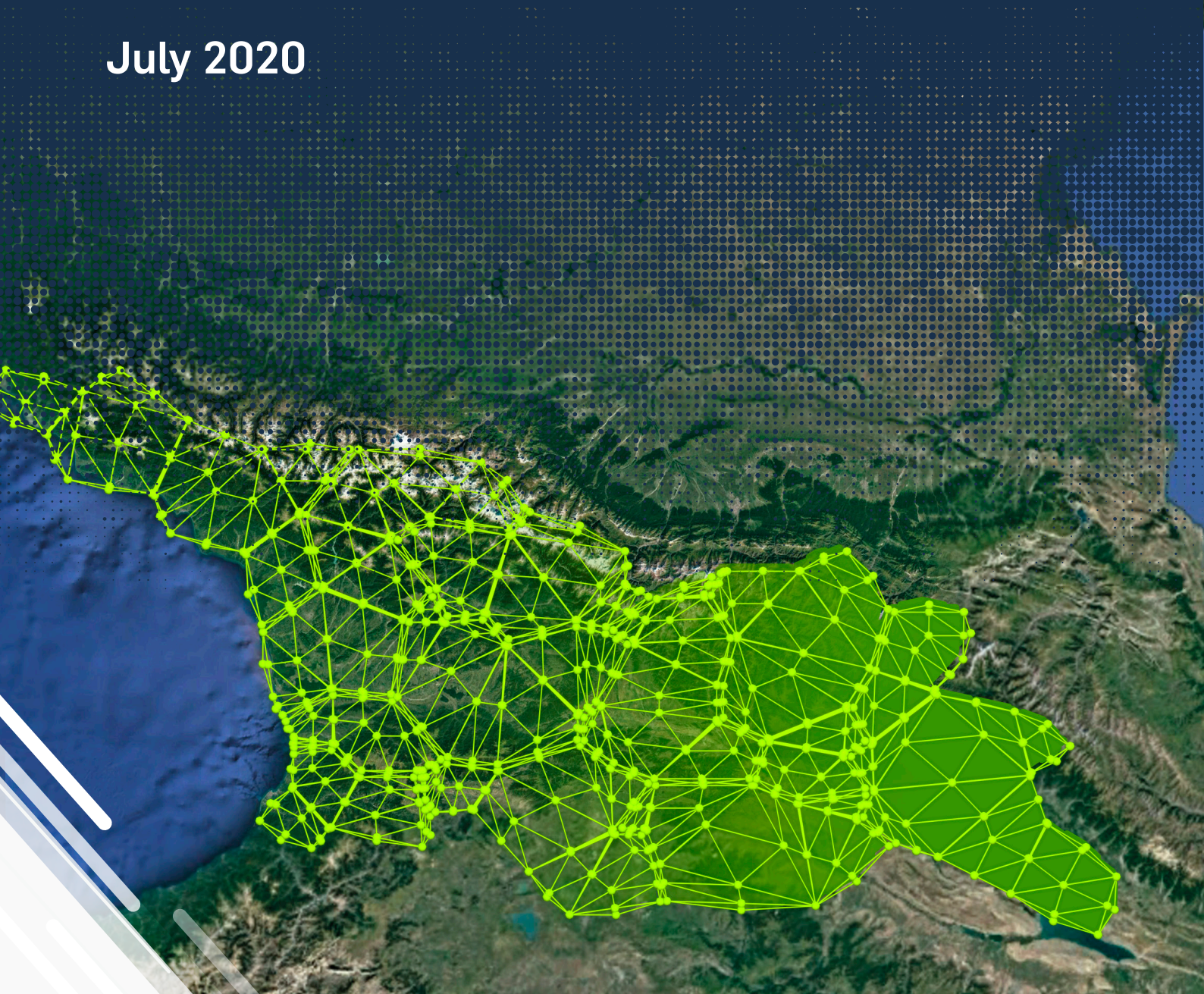




Global Compact
Network Georgia

Private Sector Contribution to Georgia's 2020 Voluntary National Review on Sustainable Development Goals

July 2020



The Study was conducted by global research and consulting company ACT on behalf of Global Compact Network Georgia with financial support from the Swedish Government.

Foreword by Executive Director of the Global Compact Network Georgia

The Global Compact Network was launched in early 2016 in Georgia. It is a local platform, of the UN Global Compact initiative, with the goal of mobilizing a global movement of sustainable companies and stakeholders to create the world we want to live in.

We at the Global Compact Network Georgia strive to create an enabling environment for businesses to learn, share experience and partner with other like-minded companies. We facilitate multi-stakeholder partnerships that benefit both businesses and the society in which they work. Being a UN initiative, we provide businesses with a globally recognized framework of standards that combine international experience with a local touch.

Apart from engaging with the business sector, the network and its host organization Civil Development Agency (CIDA), have been working closely with the Government of Georgia, to promote responsible business practices at the level of policy. As a result of our recommendations, the Business and Human Rights Chapter was integrated, by the Government of Georgia, into the 2016 National Human Rights Action Plan. In 2017 as a result of our cooperation with the Human Rights Secretariat and the Public Defender's Office of Georgia, we carried out a thorough assessment of the Business and Human Rights legislative framework and its implementation mechanisms. The new Action Plan for 2018-2020 was based on the findings and recommendations of our study. We would like to express our sincere appreciation to the Government of Georgia for their effective and cooperative partnership over the past few years. Although we have moved forward towards our mutual goals, there is still work that needs to be done.

In 2017, the Global Compact Network, through its host organization CIDA, became a member of the SDG Council, in order to support multi-sectoral dialogue and engagement with the business sector in implementing Georgia's Agenda 2030. In late 2018 CIDA / Global Compact Network Georgia (GCNG) commenced, with



support from the Swedish Government, the implementation of the project "Leadership for Sustainable Development in Georgia". The project's aim is to increase private sector engagement with and contributions towards the implementation of the Sustainable Development Agenda.

In the beginning of 2020, GCNG approached the SDG Council and made a proposal to compile data for the Voluntary National Review on Sustainable Development Goal (SDGs) implementation by Georgian businesses. With invaluable support from the global research and consulting ACT and Innova LLC, we managed to collect information on the best practices from the companies in Georgia as well as observe the trends, opportunities and challenges inherent in implementing the Agenda. The present report does not reflect the practices of the entire sector, rather, it pinpoints good examples from a number of leading companies on their contribution to larger, shared goals.

During the past couple of years, we have been actively promoting the Sustainable Development Agenda and raising awareness among the business community on how to integrate SDGs and the benefits of doing so. However, the studies we carried out in Georgia still show a lack of awareness and knowledge among the business sector on why and how to integrate the agenda into a company's internal policies and daily operations.

Now, more than ever, it is important to engage the business sector and promote responsible conduct in Georgia and worldwide. The global crisis of COVID-19 has shown us the importance of social welfare and how interlinked it is with the economic prosperity. It has shown us the steep price of the reluctance to engage with society and the environment. Therefore, it is critical for businesses, the government and civil society to stand together and invest in a sustainable future!

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Table of Contents

| | |
|------------------------------------------------------------------------|----|
| Acronyms | 3 |
| Background | 4 |
| Research Objectives and Methodology | 5 |
| Executive summary | 6 |
| Business Contribution to SDG Implementation: Research findings | 8 |
| I. Human capital development and social welfare | 9 |
| a) Poverty eradication and social inclusion | 9 |
| b) Good Health and Well-Being | 11 |
| c) Quality Education | 12 |
| II. Economic growth | 18 |
| a) Energy efficiency and environment | 19 |
| b) Growth | 22 |
| c) Innovation, industrialization, infrastructure | 31 |
| d) Sustainable production and consumption | 32 |
| III. Democratic Governance | 34 |
| a) Equality | 34 |
| b) Peace, Justice and Strong Institutions | 39 |
| IV. Partnerships for the Goals | 40 |
| Conclusion | 41 |
| Annex 1: List of companies involved in the qualitative research | 43 |



Acronyms

| | |
|------|--------------------------------------------------|
| CIDA | Civil Development Agency |
| CR | Corporate Responsibility |
| CSO | Civil Society Organization |
| EBRD | European Bank for Reconstruction and Development |
| ESG | Environmental, Social and Governance |
| GCNG | Global Compact Network Georgia |
| GITA | Georgia's Innovation and Technology Agency |
| HLPF | High-Level Political Forum |
| IDP | Internally Displaced Person |
| MBC | Micro Business Capital |
| NGO | Non-Governmental Organization |
| SDGs | Sustainable Development Goals |
| UN | United Nations |
| UNGC | United Nations Global Compact |
| VNR | Voluntary National Review |



Background

On September 25, 2015 the United Nations adopted a resolution entitled "Transforming Our World: the 2030 Agenda for Sustainable Development" and approved Sustainable Development Goals (SDGs). The Sustainable Development Agenda includes 17 goals and 169 targets, which are united in five main areas (5P):

| | |
|--------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|
| PEOPLE | to eradicate all forms of poverty and hunger and to assure dignity and equality for all people in a healthy environment; |
| PLANET | to prevent the destruction of the Earth through actions like the sustainable management of natural resources, climate change prevention, and more.; |
| PROSPERITY | to provide the possibility of a successful life for every person; |
| PEACE | to create a peaceful, just and inclusive society free from fear and violence; |
| PARTNERSHIP | to promote a global partnership to achieve goals (SDGs). |

In order to coordinate and monitor the national implementation of the Agenda 2030 of the Sustainable Development, the Inter-Agency Council of the Sustainable Development Goals was established in Georgia in 2017. It is chaired by the Head of the Government Administration in Georgia. The council consists of representatives from central state institutions such as the Civil Service Bureau, the National Statistics Office and various ministries. The Council has established 4 thematic working groups: (1) social engagement; (2) economic growth; (3) democratic governance; (4) sustainable energy and environmental protection.

Because the sustainable development goals are unlikely to be reached from solely government efforts, the involvement of both the business sector and civil society are crucial. Representatives of non-governmental and international organizations, as well as government agencies, are all integral elements to the effective functioning of the thematic working groups in the Interagency Council of Sustainable Development Goals.

Currently, there is no consolidated database of information in Georgia regarding the measures the business and non-governmental sectors are taking toward implementing the 2030 Agenda. Therefore, Global Compact Network Georgia (GCNG) within the framework of the project "Leadership for Sustainable Development in Georgia", supported by the Swedish Government, aims to involve businesses in the SDG dialogue and collect, process, and analyze information on the progress made by the private sector in the implementation of the Sustainable Development Agenda in Georgia.

Aside from the Government's progress in implementing Agenda 2030, as a result of the support from GCNG, the report will also include information on private sector contributions to the implementation of SDGs in Georgia.

Research Objectives and Methodology

This report's main goal is to assess the status of the private sector's implementation of SDGs and describe the concrete contributions that constitute this implementation.

In order to achieve this goal, the following priority areas have been identified:

- Human capital development and social welfare;
- Economic growth;
- Governance.

Taking these research results into account, GCNG will be better equipped to plan and organize specific activities to increase the effectiveness and overall quality of the outcomes.

Based on the goals and objectives of the report, a relevant and comprehensive research methodology has been developed: the combination of desk research and more traditional quantitative and qualitative research methods.

The *desk research* examined the annual CR reports selected businesses published between 2018-2020. Within the framework of this technique, the research team studied the CR activities of 16 different companies.

The *qualitative research* obtained comprehensive information about how companies were implementing SDGs. While undertaking fieldwork for the qualitative research, the organization Analysis and Consulting Team (ACT) contacted 20 selected companies and 15 were ultimately interviewed.

The *quantitative research* thoroughly documented level of involvement of private companies in implementation of Agenda 2030 and looked at particular activities, that are planned and implemented by small, medium and large businesses within the CR strategy.

The Quantitative research¹ carried out by Innova LLC on behalf of GCNG covers 1053 large, medium-sized and small organizations. The Primary Sampling Unit (PSU) for the quantitative research were businesses registered and operating in Georgia. Stratified random sampling method has been applied. Hence, the existing enterprises were divided into three groups (strata) according to their size (annual turnover and number of employees) as suggested and classified by National Statistics Office of Georgia². The database of businesses has been provided by the National Statistics Office. There were 70,150 enterprises in the list. Among them, 445 were large, 1,827 medium-sized and 67,878 small businesses. Surveyed 1053 businesses were selected by random sampling method. 293 out of 1053 selected companies were large, 370- medium-sized and 390- small businesses. The sampling methodology provided an average error margin of less than 5% with a 95% confidence level.

Participation in the research was voluntary. Verbal Informed consents were obtained from qualitative research participants before the interview process. In addition, right of disclosure of companies' names in the report is based on written consents obtained from the respective representatives from the studied companies. Those companies, who refused to disclose their names and/or did not reply on this request, are represented by sector of operation.

¹ The quantitative survey was carried out by Innova LLC for CIDA in 2019 year

² Large enterprises are defined as those with more than 250 employees or GEL 60 million turnover, medium – with 50-249 employees or GEL 12-60 million turnover and small enterprises – with less than 49 employees and up to GEL 12 million annual turnover.

Executive summary

The overall purpose of the research was to obtain information about the implementation of SDGs in the business sector.

According to the research findings, the private sector has been actively contributing to the implementation of several different aspects of the Sustainable Development Agenda. The quantitative research findings illustrate that as the size of the company grows, the degree of formalization of corporate responsibility issues increase in the organization. Large and medium-sized companies are more likely to have policy documents on corporate responsibility as well as the departments responsible for this direction than small companies. Most large enterprises have implemented at least one corporate responsibility project for the last 3 years. The situation is dramatically different in small companies. More than 80% of small businesses mentioned that they have not conducted any CR related activity for the past 3 years.

The qualitative and desk study findings illustrated that the inquired companies tend to have an action plan prioritizing several goals that the management follows for years. In the Georgian business community areas of priority have been human capital development and social welfare. In order to address these priorities, companies focus on three major goals: (1) poverty eradication, (2) improvement of health and the promotion of a healthy lifestyle, and (3) support for quality education. Throughout the course of the research, some general patterns have been observed among the Georgian business community. First of all, the Georgian companies in question contribute to Goal 1 through charity work and provide financial assistance to vulnerable groups. Usually, companies support elderly people, orphanages and the most vulnerable families through similar campaigns. In 2020, many companies joined charity initiatives in light of the COVID-19 pandemic. They supported actions that provided food, clothing and essentials to vulnerable families who were left with no resources. In terms of empowerment, some companies support people living in Georgia's regions through purchasing their products and services. Aside from the direct economic gains for these families, such projects usually directly or indirectly promote the development of sustainable agricultural production. Another group of companies support capacity building activities and provide trainings for vulnerable groups about entrepreneurship and financial literacy. Some companies foster the development of agriculture and food production with their projects.

Inquired companies usually follow a similar pattern while contributing to the implementation of Goal 3. Namely, they provide their employees with health insurance and participate in organizing sports events that promote healthy lifestyles.

Our findings show that Goal 4 has been a top priority and focus for Georgian companies that contributed to the qualitative and desk studies. Inquired companies actively support the professional and personal development of their staff and often have their own training centers. With regard to activities outside of their companies, the interviewed companies tend to (1) cooperate with academic institutions or (2) implement inclusive education projects. The findings also illuminated that the cooperation between businesses and academic institutions often have two major goals: a) some interviewed companies sign memoranda with universities in order to select interns or future employees from them; b) inquired companies work with universities or professional education centers in order to develop vocational education programs and provide the labour market with valuable technical specialists.

Economic empowerment is another critical aspect of the Sustainable Development Agenda covered in this report. Interviewed companies support sustainable economic growth through the application of energy efficient and environmentally friendly technologies and practices. Noteworthy, the government of Georgia adopted the law on energy efficiency in 2020. The current study illustrates that the companies had energy efficiency practices even before the introduction of this legislative framework. Several interviewed companies use energy efficient lamps for office lighting, energy efficient construction and manufacturing materials, or renewable, electric energy sources in their offices instead of the more ecologically harmful alterna-

tive, gas. Aside from the utilization of electric energy, companies are increasingly installing solar panels at their offices; it is expected that this trend will continue in the future. There is also a general support among the companies for active environmental measures such as the restoration of forests and green territories. With regard to Goal 8, which refers to the support of an inclusive and sustainable economic system, the companies made several important contributions. Based on in-depth interviews, two major models have been observed: first, companies producing or selling material products usually contribute to economic growth through reinvestment in infrastructure and productive capacities; second, the companies from the service sector usually provide free services to preliminary determined target groups (entrepreneurs and young businesses with potential to contribute to the economy). This offers support to entrepreneurs who are in the process of entering and building up young industries establishing their place in the market. In service of this goal, businesses pay particular attention to regional development and the expansion of their vision, products and services in the regions as well. Many companies support regional development through supporting the employment of locals at the sites of their projects. Policies and guidelines provide equal employment and remuneration to every individual on these work sites.

Due to 2019 legislative changes, every company pays close attention to labour safety; special labour safety and monitoring mechanisms are created by the companies operating in the energy, construction and manufacturing/industrial fields. Two particular and different cases were observed during the desk research. Two companies conducted employee surveys in order to evaluate the current situation and elaborate the development action plan.

A number of companies, regardless of their industry, have contributed to Goal 12 – promoting sustainable consumption and production within the company. According to the findings, companies (1) pay attention to the management, processing and utilization of industrial waste; (2) some companies monitor and research the impact of their work on the environment; (3) the companies promote sustainable consumption practices in their offices and at their sites (waste management, reduced usage of plastic, recycling of office waste, etc.).

In terms of equal treatment, inquired companies are committed to the principle of equality in their work. Some companies have guidelines which promote non-discrimination, inclusion and gender equality.

The larger business community makes a genuine contribution to Goal 16 of SDG, which promotes the idea that a peaceful and inclusive society encourages sustainable development and justice for all is the result of building effective, accountable and inclusive institutions at all levels. In this direction, companies which participated in the qualitative research ensure systemic transparency, follow ethical business principles and have anti-corruption mechanisms in place. According to the research findings, the companies tend to pay particular attention to the latter, and have several mechanisms which raise the awareness of employees about the harm and risks of corruption.

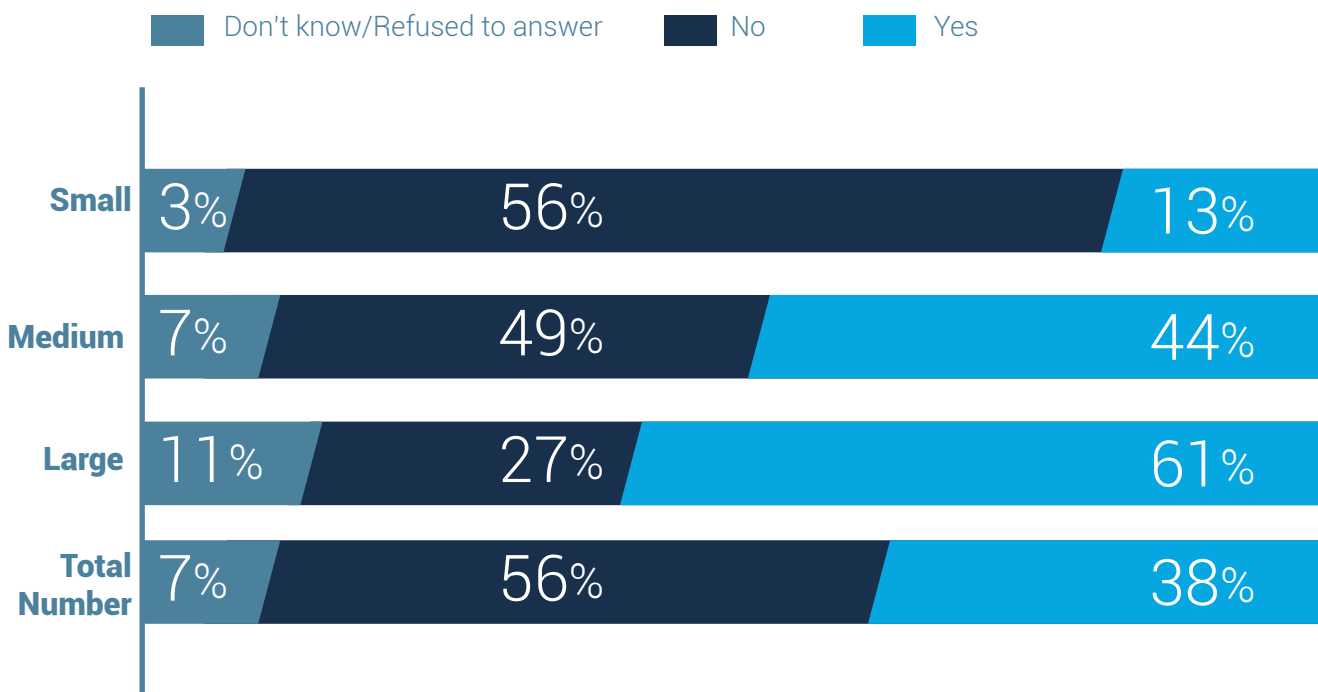
With regard to the Goal 17, the quantitative study findings show that majority of companies have no information about public-private partnership opportunities, including 60% of large companies. The desire to engage in such partnership projects is rarely expressed. The picture is more or less the same regarding the partnership with NGOs.



Business Contribution to SDG Implementation: Research findings

The research clearly illustrates the high level of interest and engagement of the business community towards the implementation of SDGs in the country. Moreover, the engagement of the private sector in the implementation of Agenda 2030 is consistent and growing. The vast majority of studied companies mentioned that they have integrated a number of SDGs into their business plans, further ensuring such contributions to remain stable over the next decade. According to the quantitative survey results, slightly more than 60% of large enterprises have implemented at least one CR project over the last 3 years unlike the small companies, of which about 85% reported they have not conducted similar activities during the reporting period. As for medium-sized companies about half of surveyed enterprises make contributions towards the CR direction (for more results see Chart 1 below).

CHART 1:
Have you carried out any CR projects or activities over the past 3 years?



Each sub-section presented below, provides a brief overview of the particular activities undertaken by the companies within broad thematic areas and specific SDGs (where possible) and describes how the business community actively engages in the implementation of 2030 Agenda in the country. The information is grouped around three major thematic directions. The first sub-section is focused on human capital development and social welfare and generally reviews the contribution of the private sector towards goals 1, 2, 3 and 4. The second sub-section provides a detailed review of economic growth and covers the SDGs that are directly or indirectly connected to issues of economic development and sustainable growth (Goals 7, 8, 9, 11 and 12). And lastly, the third sub-section discusses the issue of equality and democratic governance (Goals 5, 10, 16).

I. Human capital development and social welfare

The vast majority of interviewed companies have projects, initiatives or services that support vulnerable groups and contribute to the implementation of Goal 1 or 2. Majority among them pursue these Goals under their charity work and do not necessarily disclose them as their CR activity. Almost all interviewed companies, provide their staff with health insurance and arrange activities and/or provide services supporting a healthy lifestyle among the employees. In terms of implementation of Goal 4, research findings suggest that studied companies have policies supporting the professional development within the company (among company's employees) and, moreover, support external projects that promote the quality education for different target groups.

Quantitative survey results suggest that about 1/4 from interviewed companies implements activities contributing to Goal 1 (reduction of poverty in all forms), 1/5 - directly or indirectly supports implementation of Goal 2 (ending hunger, improving food safety and nourishment standards, promoting sustainable agriculture). It is noteworthy that relatively small share of companies (about 15%) reported they carry out activities and take measures towards implementation of Goal 3 (promoting wellness and a healthy lifestyle for people of all ages) and the least efforts are made towards Goal 4, aiming at promoting inclusive and equal education and creating continuous learning opportunities for everyone (6.1% of surveyed companies). Results demonstrate that the biggest share of contribution is associated with large and medium companies (for more results see Table 1 below).

TABLE 1:
Directions addressed by the interviewed companies (Goals 1, 2, 3 and 4)

| Which of the directions listed below are addressed by your CR projects? (multiple answers possible) | Total number | Large | Medium | Small |
|-------------------------------------------------------------------------------------------------------------|--------------|-------|--------|-------|
| GOAL 1: reduction of poverty in all forms | 24.8% | 36.5% | 31.1% | 10.0% |
| GOAL 2: ending hunger, improving food safety and nourishment standards, promoting sustainable agriculture | 19.3% | 34.5% | 21.1% | 6.2% |
| GOAL 3: promoting wellness and a healthy lifestyle for people of all ages | 14.9% | 29.0% | 15.7% | 3.6% |
| GOAL 4: promoting inclusive and equal education and creating continuous learning opportunities for everyone | 6.1% | 13.0% | 6.5% | 0.5% |

a) Poverty eradication and social inclusion

The paramount objective of SDGs is to achieve overall well-being in the world and make positive changes for people of all groups and ages. Goal 1 and Goal 2 of SDGs have a mission to support this general vision through ending poverty in all its forms and eliminate hunger globally. Countries around the world pursue policies that gradually bring them closer to this outcome. Aside from the efforts of governments, part of

business companies also abides by this goal through the integration of SDGs in their business plans and the establishment of a culture of corporate responsibility. In the Georgia, some companies are committed to SDGs and apply the goals in practice. Others make contributions without acknowledging that some of their actions are directly connected to the SDGs. The companies prioritizing Goal 1 and 2 within the framework of their environmental, social and governance (ESG) activities usually are well-aware of their contribution. According to the qualitative and desk research findings, the Georgian business community has projects and organizational practices that aim to empower the most economically and socially vulnerable groups in the country.

According to the qualitative and desk research findings, many companies in Georgia actively support various charity initiatives. During the ongoing fight against COVID-19, Georgian society has witnessed the total and proactive support of charities involved in containing the spread of the disease. In light of the pandemic, three patterns of charity work were observed among the interviewed companies: (1) the companies producing food products and providing those products free of charge to vulnerable communities; for instance, the construction company among many others participated in the City Hall Initiative and delivered the food for 1000 families. (2) companies operating in the energy sector have provided free fuel for transporting material assistance to the most vulnerable groups; (3) some companies have given financial contributions to the state fund in order to take actions against the pandemic. It is worth noting that Georgian companies were actively engaged in charity even before 2020; during in-depth interviews, several inquired company reported that charity is one of the directions of their CR policy that is being prioritized. Under this work, they usually provide material and/or financial assistance to shelters for the elderly and children without caregivers. Another good practice was the purchase of production materials from peripheral regions of Georgia. Some companies attempt to create a development opportunity in the regional, rural parts of the country and support their economic activities through the creation of realization channels for their products.

Altihut actively supports Goal 1 through the inclusion of socially vulnerable people in economic activities and purchasing products from them. For instance, Altihut purchases special wool mattresses from the IDPs living in Gori.

GEPRA supports the empowerment of women and purchases New Year's gifts from local business women.

The inquired **dairy company** has made contribution to both Goal 1 and Goal 2. The company has donated a significant amount of its products, through the City Hall Initiative, to support large and struggling families with many children. The company was also engaged in the youth initiative during COVID-19 which focused on assisting elderly people who stayed without support. In 2010, dairy company started developing milk delivery infrastructure and commenced its longest and largest-scale project to date; under it, organizations started collecting the milk necessary for its own production directly from the farmers. The project contributes to Goal 1 and 2 of SDG, as (1) it directly impacted many families living in the villages and increased their income; (2) in addition to increased earnings of farmers, the project supported rural development, agriculture and people living in the periphery. Moreover, the company also added educational activities to this project and began educating farmers about milk and dairy products. According to the company, the knowledge many farmers have about the quality of milk and dairy products is very low, which leads to low final product quality.

The inquired energy company empowers female entrepreneurs living in Georgia's peripheral regions by selling their products in markets under their brand.

BOX 1. The projects of Adjara Group supporting the agriculture

The Adjara Group supports sustainable agriculture with two projects: The Udabno project which turned previously degraded land into arable zone. The project was transformed into a knowledge hub for local and regional communities in Georgia. It provides opportunities for farmers to improve their skills in the field and experience cutting-edge technologies and techniques related to agriculture. Apart from the Udabno Project, the Space Farms at Stamba Hotel introduced the first indoor vertical farm in the Caucasus region. The Adjara Group has contracted hundreds of farmers from regional communities and supports their empowerment through the purchase of their products. It provides opportunities for young scientists and agricultural experts to work on the first urban vertical farm in the region.

According to the representative of a **law firm**, the company offers free legal services and consultations to small entrepreneurs who are just entering the market and live in mountainous regions. This could include helping with land registration or other services.

The Bank of Georgia has developed a project that increased both financial literacy and facilitated the higher rates of the utilization of banking products and services. Within this project, many people became customers of the bank, were given bank cards, started to use the service and received some financial education as well. The bank had a second project which created the fundraising platform (DONATE.GE), which allowed people to assist vulnerable people periodically or regularly. The objective of project was to empower vulnerable groups and create channel for better equality; ultimately, the project served the goal 1 and goal 10 of SDGs. Noteworthy, this is the first platform where bank transfers are not taxed. The third activity under Goal 1 of SDG took place during the COVID-19 pandemic. The bank cooperated with the newly established fund "Unity". They made a financial donation, which was used to buy food products and provisions for 100 socially vulnerable families.

In terms of Goal 2, **APM Terminals Poti** assisted the "Coalition for social reforms – the day center of Poti for the children with special needs" and "Canteen for the elderly under the Diocese of Poti and Khobi" with financial resources necessary to purchase food products; in addition, the company finances festive dinners in canteens for poor people.

Efes Georgia provides material assistance to the vulnerable families and gives its own products free of charge for them. In addition, the company has established the Fund Natakhtari, which is directed to support young people with no caregiver in starting new, independent lives. Under the advocacy and support of the Fund, the state institutions, the self-governing bodies have created special, additional services for this target group that were aimed at their empowerment.

b) Good Health and Well-Being

Another major goal of the Agenda 2030 is ensuring and promoting health and healthy lifestyles for people of all ages. The research findings illustrated the two patterns of contribution. First, the vast majority of inquired enterprises provide a comprehensive health insurance system for their staff and their family members. Second, the companies organize events and finance the engagement of staff in activities that promote the healthy lifestyle.

BOX 2 The projects of inquired dairy company supporting good health and well-being

The inquired dairy company contributes to Goal 3 through following activities. First, the company provides the health insurance for employees and their families. Second, the company supports public healthcare and organizes informational events; It launched the free online endocrinologist and fitness instructor consultation project underway to talk about the role of healthy eating, lifestyle and workouts. In addition, the employees of companies have discounts for healthy dairy products and employees who are in contact with special equipment are provided with free products.

Georgian Railway and inquired **water supply company** have social funds within the organizations which cover the medical services of their employees and their family members in Georgia and abroad that exceed the insurance limit. The similar fund is created at the Bank of Georgia through staff initiative. The fund supports employees and/or their family members who have health-related problems and are in need of assistance. In terms of Goal 3, **BoG** had project that supported people with disabilities with mechanisms that helped them relocate and move. In light of the COVID-19 pandemic, the Bank of Georgia has financed the purchase of 20,000 laboratory tests, ten respiratory machines, more than 50,000 medical face masks and more than 60,000 gloves, and in cooperation with the Ministry of Health they have been given to those in need.

MBC promotes a healthy lifestyle through campaigns such as encouraging employees to travel with public transportation or bicycles.

Efes Georgia finances the engagement of employees in different activities that support a healthy lifestyle. The company provides employees with free meals during working hours and gives products free of charge every month.

The part of the staff at **APM Terminals Poti** undergoes periodic obligatory health examination in accordance with their age and profession, different priorities and necessities etc. With regard to living a healthy lifestyle, the company organizes annual sporting events in football, volleyball and running.

c) Quality Education

One of the goals under the socio-economic component of SDGs is to support quality education - this is closely interconnected to Goal 1 (end of poverty) and Goal 8 (economic growth), as the final goal of a quality education is to improve the living and socio-economic conditions of people around the world.

According to the qualitative and desk research findings, the interviewed companies have external corporate responsibility activities directed to support the quality education. The companies aim to support (1) inclusive education, (2) delivering the trainings for vulnerable groups; (3) one company supported the Georgian public education system during COVID-19 and created online learning opportunities for students, (4) some companies support education through scholarship programs. (5) several inquired companies reported that they work with universities, schools and other educational institutions; (6) in addition, inquired companies allow interested young people to become interns, take practicums or visit sites of production for educational purposes; some of them even have memorandums with universities, which allow students

of particular universities to become interns in big companies and later on become full-time staff members; (7) several interviewed companies have mentioned their contribution towards the develop of professional or vocational programs in order to cope with the shortage of technical specialists in the labour market.

During an in-depth interview, the representative of **MBC** mentioned that the increased level of financial education in the society is a top priority of the company. Their main target segments are young people, women and entrepreneurs. They arrange their seminars at universities, schools and with entrepreneurs. The company delivers trainings about financial and/or business-related issues. Through this initiative, MBC aims to promote knowledge, create and increase accessibility to resources for people living in peripheral regions. Therefore, the financial education projects serve both Goal 4 and Goal 1 of SDGs.

The promotion of education is one integral part of the CR policy of the **TBC Bank**; hence, the company has programs that contribute to the implementation of Goal 4 through the support of various groups. TBC Bank delivered trainings in 15 different directions which supported business education and financial literacy in the country. Through 2019, up to 4 000 young people attended the different trainings organized by the bank. The second major priority of the bank is giving support to the next generation. In this direction, the company has a program "TBC Grantees", which gives a monthly scholarship to 200 young talented people in Georgia and supports their development through different trainings organized specially for them. TBC Bank has another project "Status Donates", which also supports talented young people. In 2019, 19 individuals received support for education and professional growth. In addition, the company cooperates with different platforms promoting innovation and the STEM field in Georgia.

The **dairy company** contributed to the implementation of Goal 4 through several activities. (1) It has taken active actions during the COVID-19 pandemic and organized online classes – the one-month project ended on the very day the government launched online lessons on television. (3) The company cooperates with universities. (4) The last direction refers to inclusive education. The company funds the construction of school that will focus on children on the autism spectrum disorder. In addition, the company takes responsibility for conduct trainings so school graduates can gain direct experience with the company.

According to research findings, 3 out of 28 companies has contributed to the fourth goal through their efforts to create the vocational education programs that will meet the labour market demands. The inquired **energy company** has a long history of cooperation with various universities and introduction of new learning programs. One, company cooperated with Free University of Tbilisi and introduced the project management learning program. Two, the company worked with Georgian Technical University and contributed to the establishment of the Technical Education Center The center intends to provide labour market with much needed technical professionals. Besides, the company has contributed to the establishment of International School of Economy, financed the Milky Way and computerization programs. The **manufacturing company** next to government and trade unions is engaged in the work of commission that cooperates with institutions about the development of vocational education programs. The company is also engaged in dual programs and attempts to introduce the on-job learning method in the company.

Georgian Railway has contributed to the implementation of Goal 4 at three levels. One, the company supported the development of vocational education - in 2015, Georgian Railway, in cooperation with domestic and foreign partners, established a non-profit (non-commercial) legal entity "railway transport college". The aim of this project was to introduce the dual learning methodology, prepare the new specialists, consideration of modern technologies and novelties, and retraining of railway staff. In 2019, it was the first time Georgia started the implementation process for the dual learning methodology. In 2019, JSC Georgian Railway admitted 88 students in the program for dual learning. During the learning process, the

students are supported with scholarships (during the whole 6-8 months) and later on are hired by the Georgian Railway. In 2020, it is planned to admit 70 students. Two, the company has a project in Khashuri and Samtredia which aims to support the popularization of higher education. Under this project, 400 school students have been trained and prepared for the Unified National Examinations. In addition, the general groups are arranged in Samtredia where school students learn English and Math. Three, for years, Georgian Railway has implemented the "Staff Loyalty Project", which popularizes education and materially promotes the children of staff who graduate from secondary school with merits.

BOX 3

The projects of Bank of Georgia supporting the quality education

The Bank of Georgia has always contributed to educational development by providing scholarship opportunities to young people and supporting their education in Georgia and abroad. The bank cooperates with many universities and foundations in Georgia and abroad. Under the educational programs, the bank gives scholarships to the young people who are winners of different programs. In terms of It, BoG has partnership with Fulbright Program and Embassy of United Kingdom, finances Chevening program and already has 12 individuals who reached their scholarships. Throughout a year, Miami ad school Europe has been added and the first student is already gone to study. Noteworthy, the bank had University of Bank of Georgia, which provided full or partial scholarship for the students of master degree. The company cooperates with San-Diego State University too; It has been two years 10 highest-ranking students received scholarship from BoG.

The bank also finances the project "CHARTE.GE", which is an educational initiative and aims to increase internet accessibility in Georgia. The project targets socially vulnerable families and their children. In light of the pandemic, the Bank of Georgia undertook the additional commitment to provide 300 socially vulnerable children with internet access. It worth noting that supporting the CHARTE.GE serves not only Goal 1, but strengthens the equality and directly serves the Goal 10 of SDG too. The Bank also offers a school card that any school student can take at an early age and receive a financial education. The bank actively cooperates with the National Bank of Georgia on educational projects. Within financial literacy activities, the Bank of Georgia supported the campaign about "Phishing". The Bank of Georgia actively promotes in the direction of non-formal education and works with universities in Batumi and Kutaisi. The company arranges masterclasses and workshops about development opportunities in different regions of Georgia. Within the frames of goal 4, the Bank supports the establishment of small libraries equipped with computers. One of the internship programs is "Leaderatory", which has been successfully running for years. Every person who participated in this program is a staff member of the bank. This program provides a good employment opportunity for students and young people. To sum up the efforts of the Bank of Georgia within the terms of Goal 4, the Bank of Georgia has up to 40 small educational projects and in total has financed the education of more than 600 students.



BOX 4 The project of APM Terminals Poti supporting the quality education

One of the most important aspects of the CR policy of APM Terminals Poti is the support of quality education. In this regard, the company supports: (1) STEM education, (2) vocational education, and (3) informal education. In 2017-2019, the company carried out the project "Inport", which was a paid 5-6-months long internship program. During this program, the young people received practical and theoretical knowledge which are important for working in the organization. Even though the internship did not promise employment, 80% of interns are still full-time staff at APM Terminals. The implementation of "Inport 2019" put more emphasis on STEM professions and technical positions, which are in high demand and important in the labour market, but a less popular educational path among young people. Within the frames of this phase, the company made efforts to promote the representation of women in "non-traditional positions" like welder, labour safety officer, and crane driver. In terms of informal education, APM Terminals Poti implemented and/or supported the following projects: (1) "CHARTE" - which provides school students with laptops and internet, free of charge for a year; (2) renovation of libraries; (3) financing the different conferences and sessions of "Young European Parliament" in peripheral regions; (4) supported the work of Association "Atinati"; (5) delivered trainings for vulnerable groups in order to support their economic activities;

Professional development of employees

The qualitative and desk research findings illustrated that the companies had both external and internal corporate responsibility activities. In terms of internal CR, the vast majority of companies have prioritized the development of human capital and provision of professional development opportunities for the staff. Noteworthy, the practices of professional and organizational development practices varied from company to company.

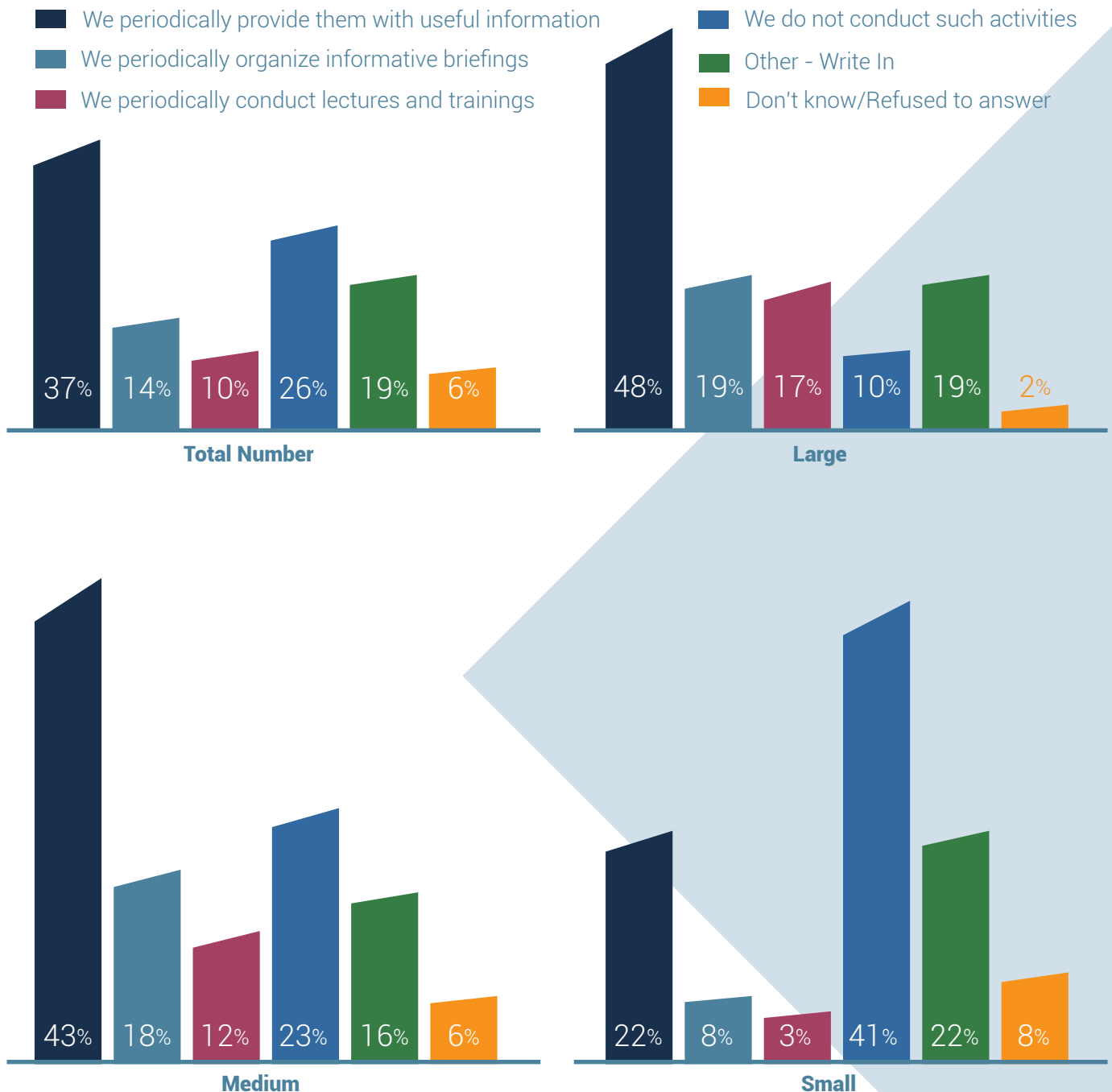
Moreover, according to the quantitative survey, educating employees about human, labor and consumer rights and related topics represents one of the priority topics the companies pay particular attention. However, information sharing mechanisms differ across the studied enterprises. Namely, about half of large and medium-sized companies provide employees with useful information regarding the mentioned topics periodically and information sharing system is more or less formalized, while more than 40% of small enterprises does not conduct such activities at all. Moreover, 17 and 12% of large and medium companies, respectively, conduct lectures and trainings on mentioned topics (for more results see Chart 2 below).



CHART 2:

How companies' employees are educated about human, labor and consumer rights?

(Multiple answers are possible)



Altihut thinks about the development of its own employees and provides professional development opportunities. The company provides the systematic trainings about mountain safety and primary medical care. The company also invites foreign experts for the retraining of staff. In 2019, experienced experts from Switzerland carried out on-job trainings for staff that lasted for 15 days, while experts from Italy carried out master classes and delivered 10-day trainings about the management of mountain hut.

The inquired **consulting company** launched the Employee Personal Development Program in 2017 within which every staff member prepares an individual plan of development based on their needs. Such development plans are created annually which are followed by trainings to meet the needs. Similar initiatives were implemented by two other companies in 2019. **Nexia TA** launched the project "The employee is the most important value in the company" in 2018-2019. Under it, the company carried out an employee survey and measured satisfaction from the labour, engagement and loyalty of the staff. Based on the survey outcomes, the company developed an action plan in order to cope with the challenges. The similar survey-based development approach was adopted by **GEPRA** in 2019. Aside this new approach, GEPRA attempts to develop a feedback culture among their staff and started the process of developing the competence model.

The **dairy company** encourages the professional and personal development of its staff by delivering trainings for them. Every department of company has a list of trainings; management assess the needs of employees and decides which trainings are necessary for their staff. The training list is comprehensive and counts on the various topics including the professional English, negotiation techniques, technical knowledge, etc.

The **insurance company** has a school within the organization; the school has a development course with different stages and a leadership development program created specifically for the company, which re-trains the leaders and the staff of the sales department in terms of positive psychology.

The **Adjara Group** supports the education of its employees in two ways: (1) providing introductory trainings for every new staff member. The company has created the Adjara Group Academy which supports the development of its own staff. (2) Vocational training and education grants for the best employees of the year who are selected at the beginning of each year.

Besides, **APM Terminals Poti** constantly supports the staff professional development through delivering various trainings on priority topics and interest of the company. According to the desk study findings, the company delivers trainings about time management, project management, change and stress management, onboarding roles and responsibilities, women empowerment principles and discrimination free workplace, company core values, communication and conflict management, customer service, problem solving, etc.



II. Economic growth

According to the desk and qualitative research findings, the interviewed companies, particularly big enterprises and members of UN Global Compact, highly value their employees. The companies involved in this research have policies and practices that are based on decent working conditions, equal remuneration for equally performed work and the general protection of human rights in accordance with the law. One more new trend among the interviewed companies is the adoption of environmentally friendly and energy efficient operation strategies in their companies. Big enterprises from the industrial sector are strongly focused on bringing more innovative technologies in production to reduce their environmental impact. In addition, interviewed companies, particularly from the energy sector, increasingly promote the utilization of clean energy sources in their offices and branches. The vast majority of interviewed companies had activities focused on environmental protection and recovery. It worth noting that CR practices are mostly homogenous among the companies and include restoration of the green areas and elaboration of waste management practices and policies.

Quantitative survey results revealed small share of interviewed companies (less than 3%) who implements activities contributing to Goal 7 (accessible, reliable, sustainable and modern energy) and Goal 8 (promoting stable, inclusive and sustainable economic growth, and full, productive employment). Slightly bigger share compared to contributors to Goal 7, but still very small segment of companies (about 4%) support the implementation of Goal 9 (developing sustainable infrastructure, promoting inclusive and developed industrialization and innovation). As for the Goal 12, this favoured to be the most attended direction within the thematic focus of economic growth (mentioned by more than 6% of interviewed companies - mostly by large and medium enterprises), however results clearly determine the gap in contribution from business sector towards the goals under the economic growth thematic area, that needs to be marked as the priority area for further dialogue with private sector and addressed through improved coordination among public, private and non-governmental sector (for ore results see Table 2 below).

TABLE 2:
Directions addressed by the interviewed companies (Goals 7, 8, 9 and 12)

| Which of the directions listed below are addressed by your CR projects? (multiple answers possible) | Total number | Large | Medium | Small |
|--------------------------------------------------------------------------------------------------------------------------|--------------|-------|--------|-------|
| GOAL 7: accessible, reliable, sustainable and modern energy | 2.8% | 5.8% | 3.0% | 0.3% |
| GOAL 8: promoting stable, inclusive and sustainable economic growth, and full, productive employment | 2.8% | 6.5% | 3.0% | 0.0% |
| GOAL 9: developing sustainable infrastructure, promoting inclusive and developed Industrialization and innovation | 3.9% | 8.9% | 2.7% | 1.3% |
| GOAL 12: sustainable consumption and production | 6.3% | 10.2% | 7.6% | 2.1% |

a) Energy efficiency and environment

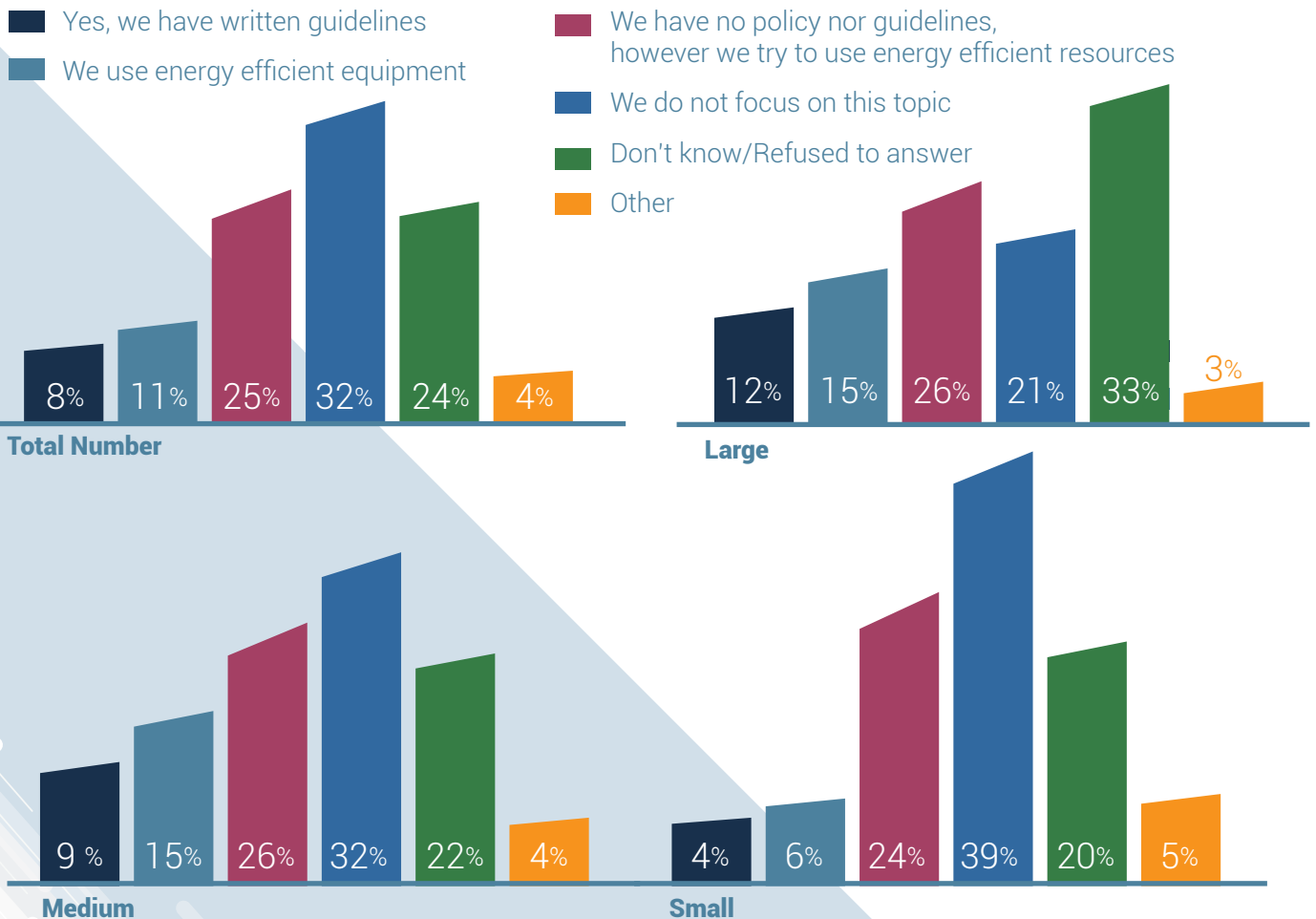
After the socio-economic component, the second priority of SDGs is the development of a sustainable economic system which is inclusive and environmentally friendly. The economic goals of SDGs start with accessibility and extend to affordable, reliable, sustainable and modern energy.

Noteworthy, the Parliament of Georgia has started the work on new legislative initiative in 2019 and consequently adopted *Law on Energy Efficiency* in May, 2020³. The new law defines the legislative framework for companies operating in Georgia and promotes the introduction of energy efficient policies and technologies. It worth noting that significant amount of inquired business companies already had policies, guidelines, practices and processes established within their companies that promote the efficient utilization of resources and reduces the environmental impact. The newly adopted law on energy efficiency is influential tool that has a potential to make some of the astonishing examples discussed below as an integral part of business operations in Georgia and ensures the unanimous engagement of companies in the implementation of Goal 7.

Noteworthy, that quantitative survey has identified small share (8%) of companies who confirmed having written guidelines on energy efficiency policy and standards. Moreover, about 1/4 portion of surveyed enterprises reported that they try to use energy efficient resources regardless the absence of respective policy and/or guideline regulating this particular aspect. The rest of surveyed companies do not focus on this particular topic at all, therefore, there is no need for elaborating guidelines around this issues (for more details see Chart 3 below).

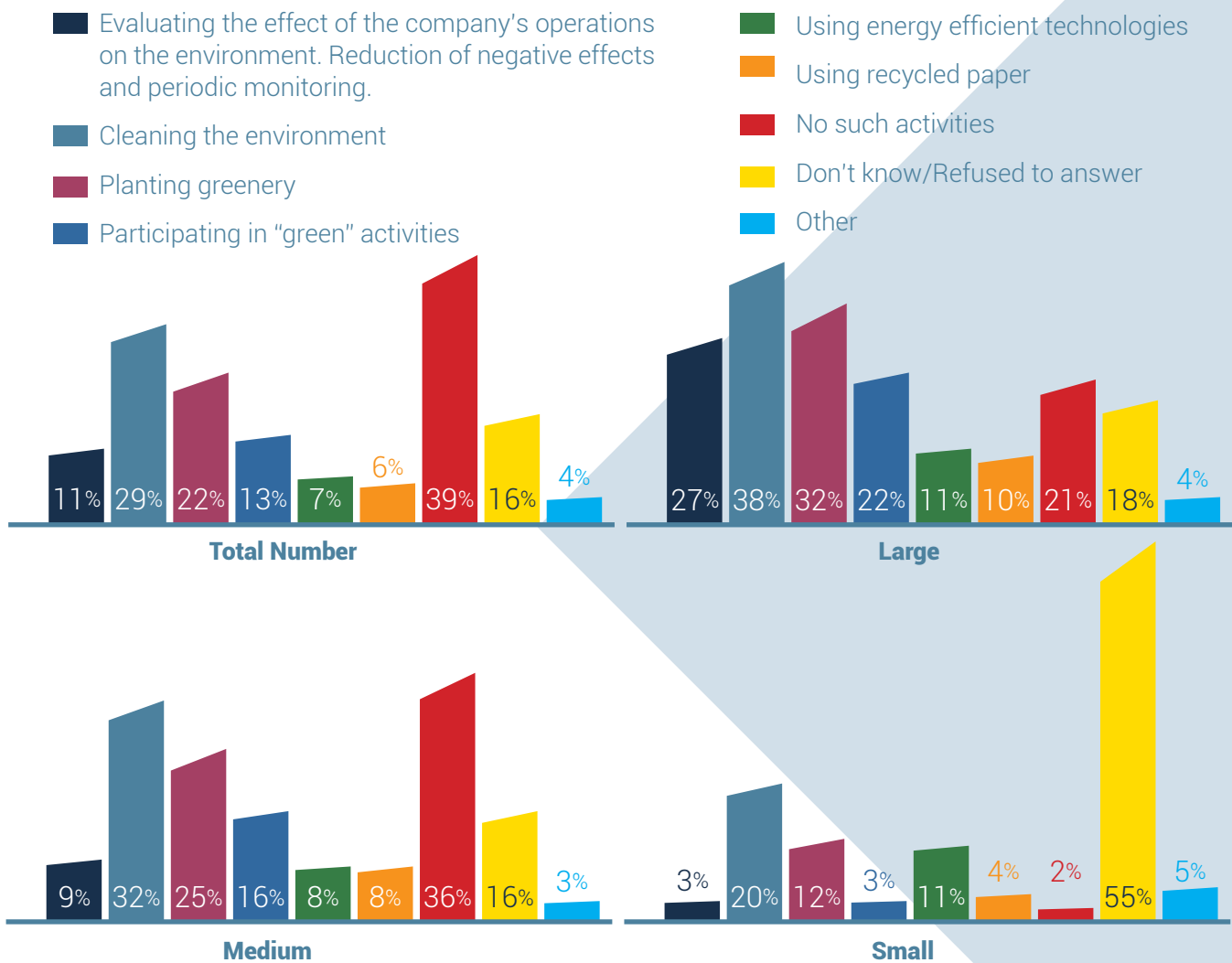
³ <https://matsne.gov.ge/ka/document/view/4873938?publication=0>

CHART 3:
Existence of energy efficiency policy to be followed by the companies



As for nature and scope of contribution of business sector towards the environmental protection, the quantitative survey findings suggest, that companies are largely engaged in this direction (80% of large enterprises and 60% of medium-size companies) and plan and implement diverse activities that directly or indirectly support its implementation. Namely, activities include but are not limited to the following: evaluating the effect of the company's operations on the environment, reduction of negative effects and periodic monitoring (mentioned by 11%), cleaning the environment (29%), planting greenery (22%), participating in "green" activities (13%) and etc. (more details can be found in the Chart 4 below)

CHART 4:
Activities carried out in terms of environmental protection
What kind of activities do you carry out in terms of environmental protection?



According to the qualitative and desk-research findings, the significant amount of companies has policies, guidelines and/or practices that are energy efficient and minimize the impact on environment.

During the in-depth interview, the **dairy company** reported that the company made investment in 2018 and brought up technologies that reduced the consumption of water and electricity during the production. In terms of environmental care, the dairy company supports the restoration of green areas. The company has taken actions to save trees in a National Park that were on the verge of extinction.

Even though the legislative amendments were carried out in 2020, the **construction company** already had well-established practice and policy of energy efficiency within the company. Namely, the company attempts to use construction materials, like energy efficient blocks and frames (doors, windows), that will be energy efficient but will not have an impact on the price of their own product and will not make them too expensive and unaffordable. Besides, in their new project, the company is arranging the heating system so that it saves as much energy as possible.

According to the information provided by **Altihut**, the company has the most energy efficient building in Georgia, where the most prominent ecological approaches are applied. The building uses solar energy sufficient to cover all of their needs.

The **water supply company** is a consumer of renewable energy. The company developed small hydroelectric stations with its own resources. The electricity produced in these stations is used for water distribution. In addition, the company uses electricity for heating in the office instead of gas.

The Bank of Georgia installed solar panels at a school in Pshavi. The project was carried out through the support of the bank's corporate clients. There are plans to do the same at schools in Barisakho, Khevsureti. The BoG Bank of Georgia created the application "on the way" in terms of environmental activities. The application aimed to reduce the environmental impact of car emissions and encouraged employees to pick up coworkers to/from the work instead of everyone using their own personal cars. Due to the features of the sector, the bank itself cannot have any dramatic environmental impact; hence, the company prefers the support of awareness raising activities about environmental protection. The bank has eco-camps in Lagodekhi. The camp is a social enterprise which was created on the territory of the Lagodekhi reserve. The eco-club is a common space where children and young people gather to discuss and receive information about environmental issues.

MBC promotes the clean energy sources and provides special parking spaces for the electric cars and bicycles. According to the information provided by company, 10% of staff uses electric transport or bicycles, which reduces the car emissions and general environmental impact.

BOX 5 The projects of ProCredit Bank supporting the energy efficiency

With regard to the environmental management system implemented in ProCredit Bank Georgia, the company reduces its direct impact on the environment and promotes a similar attitude among its clients. Through its green lending policy, the Bank actively promotes investment in energy efficiency, renewable energy technologies and other environmentally friendly measures. The institution itself is a pioneer via investing in green technologies with the aim (a) to reduce internal consumption and (b) to create successful showcases for the market and (c) to raise awareness among shareholders and the general public. The company measures the amount of consumed energy and resources and has an annually developed plan to improve its performance. Recently the bank has installed a photovoltaic system on the roof of the head office and will utilize renewable energy for its consumption. For almost two years, the bank has been harvesting rainwater, which is used for technical purposes internally. In terms of energy efficiency, the bank changed the lighting system and entirely switched to LED. Further, the ProCredit Bank's car fleet is gradually becoming environmentally friendly, having already ten units of fully electric vehicles. The company offers free electric car chargers, located near the head office, to the general public. There are future plans to install electric car chargers in Kutaisi and Batumi too. Assessment of environmental and social risk is an integral part of lending activity. According to the inquired company, internally developed sectoral-based guidelines aim to improve the environmental performance of consumers. The bank has a dedicated unit to deal with environmental aspects. The successfully implemented environmental management system is audited under ISO 14001:2015, which is an internationally recognized certificate of environmental management.



Efes Georgia is one of the companies that made energy efficiency a priority area of their CR policy. The company has made very bold steps towards this goal. In 2014, Efes Georgia was the only company in the country and region to receive the Energy Management System Certificate ISO 50001. The company has energy policy, guidelines, directives and procedures. In addition, the efficient usage of water and energy resources is written in the goals of factory employees and this is one of important criteria for their performance evaluation. During the procurement of machinery, the company gives preference to energy efficient technologies. With regard to the factory equipment, the sensor lights which are used there reduced electric energy consumption. The boiler and all the pipes coming out of the boiler were covered with waterproofing material, thus reducing the cost and consumption of natural gas. The traditional bottle washer necessary for the lemonade bottling has been replaced with the latest machinery which reduces water and electricity consumption. Aside from the policies that are based on the no-harm approach, the company has delivered trainings for staff about environmental issues, emissions, drops and issues of waste management.

Within the frames of environmental activities, **Georgian Railway** cultivates evergreens across the country for the development of various precincts and railway tracks. The main aim of seedling production is the creation of snow and windbreak lines. Georgian Railway is engaged in various planting campaigns and initiatives which aim at the restoration of green areas in urban districts. In 2019, the general planting works have been carried out (up to 1000 seedlings were planted close to the railway stations and platforms). The new seedlings were planted around the area of the "Transportation College of Georgian Railway" throughout 2018-2019 years. In 2018, 4 998 evergreen seedlings were planted throughout Georgia (beyond the legislative obligations of the current legal framework); Sokhumi State University was given 50 evergreen seedlings free of charge.

TBC Bank has been very active with regard to environmental protection and energy efficiency. In accordance with the ISO 14001 standard, the company has elaborated an environmental protection policy that defines the environmental system, goals and objectives. Under this policy, TBC Bank started to change 70% of its cars with hybrid and electric cars, which reduced monthly fuel consumption by 30%. In addition, the company installed electric chargers for vehicles at 14 different locations. The company plans development in this direction in the future as well. In terms of environmental activities, the company was engaged in the restoration of the Borjomi forest and planted the Caucasian pine on 10 ha area. In addition, the company has had social and environmental risk management procedures in place since 2012 and it retains a list of prohibited activities which are not financed by the bank.

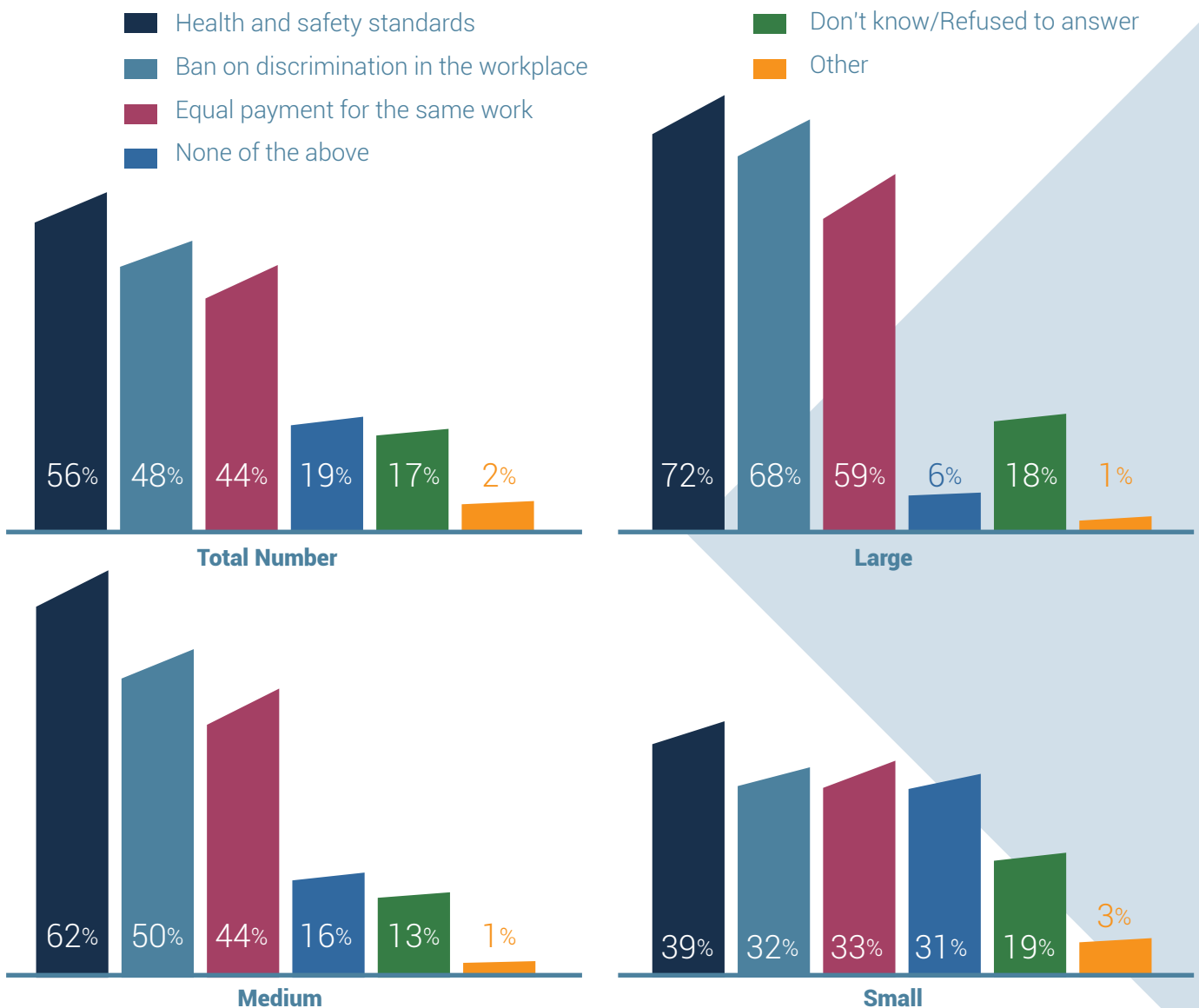
Several interviews were conducted with **companies from energy sector**. One big major trend was observed among inquired companies; namely, they are transitioning to the solar and electric energy sources. This was reflected the projects that introduced electric chargers at stations. One out of three inquired energy companies had project within which installed electric chargers so that travelers from Tbilisi to Batumi can reach destination with electric cars and charge their vehicles in every hour at the stations of this particular company. The second energy company has introduced the pilot project within which the solar panels were installed at their stations for the consumption of their facilities. The project is pilot and in case of success It will be applied at stations throughout the country. The second energy company installed first fast charging station for electric cars at the station in Gori during the last year. The third energy company does not have projects in direction of electric energy; however, company plans to introduce the solar panels at their stations that will generate energy for their own consumption.

b) Growth

Goal 8 of SDG refers to inclusive and sustainable economic growth and the provision of employment and decent work for all. Quantitative survey has identified more that 55% of private companies noting the

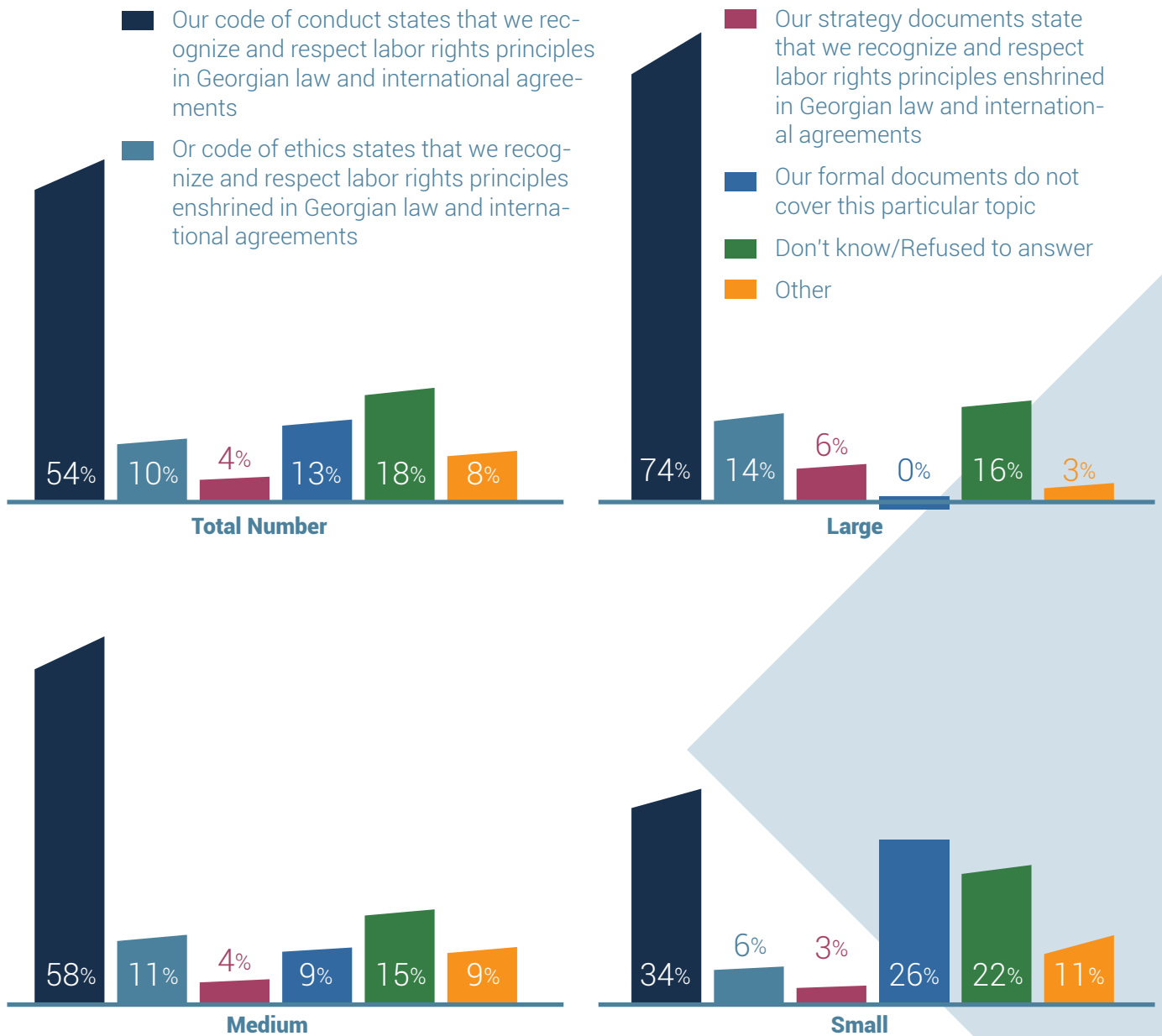
company has health and safety standards. Noteworthy, that 48% of surveyed companies have established ban on discrimination at the workplace and 44% follow the standard of equal payment for the same work. Noteworthy that about 1/5 of the surveyed companies reported the company has none of the mentioned standards formally established (for variations according to the size of the enterprises, see Chart 5 below).

CHART 5:
Labor standards established and followed by the companies
(Multiple answers are possible)



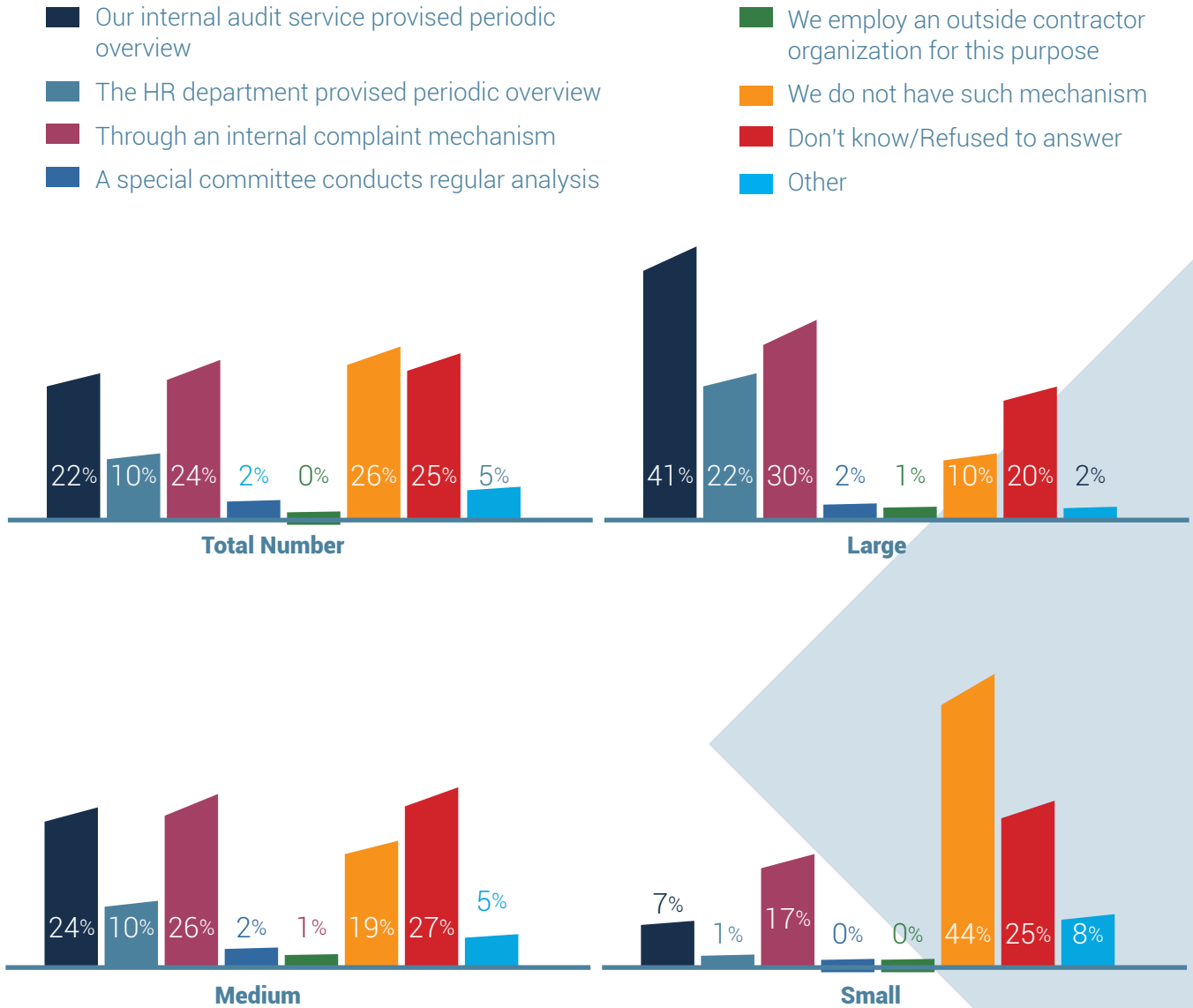
More than half (54%) of the surveyed companies noted that they strictly follow the Code of Conduct stating the company recognizes and respects labour rights principles enshrined in Georgian law and International agreements. Others use and follow the same principles as stated in the Code of Ethics or Strategy document. Only 8% of surveyed companies do not have any of the formal documents covering this particular topic (for differences observed among the companies under the sample, see Chart 6 below).

CHART 6:
Labor rights issues covered in the formal documents



Moreover, quantitative survey closely looked at the implemented practices of protecting and monitoring labor rights within the company. According to the survey findings, the mentioned issue is covered and regulated by internal audit service providing periodic overview of this aspect (22%), carried out by HR department (10%), done through internal complaint mechanism (24%). The mentioned mechanisms are most used ones by the vast majority of interviewed large and medium companies. Noteworthy, that about 45% of small enterprises reported they do not have any of such mechanisms.

CHART 7:
Protection and monitoring of labour rights within the companies

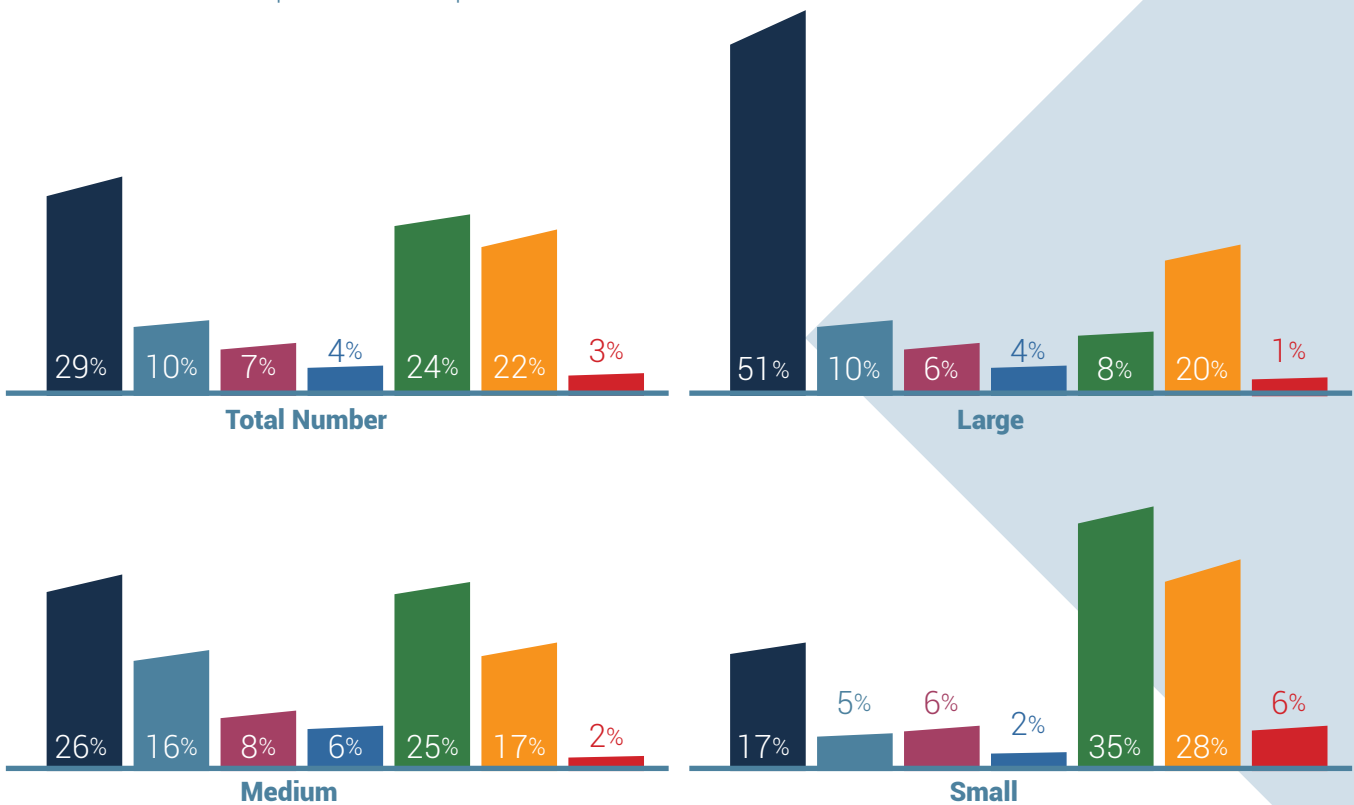


Moreover, according to interviewed companies, the basic document that sets out human and labour rights standards is the statute. More than half of large companies say they require that their partners recognize and respect human rights. 45% of large organizations also say that before starting a new business project, they assess the risk of violation of human rights (see Chart 8 below).

CHART 8:
Interaction practices with contractors/partners regarding the topic of recognizing and respecting human rights

How do you interact with your contractors/partners regarding the topic of recognizing and respecting human rights?

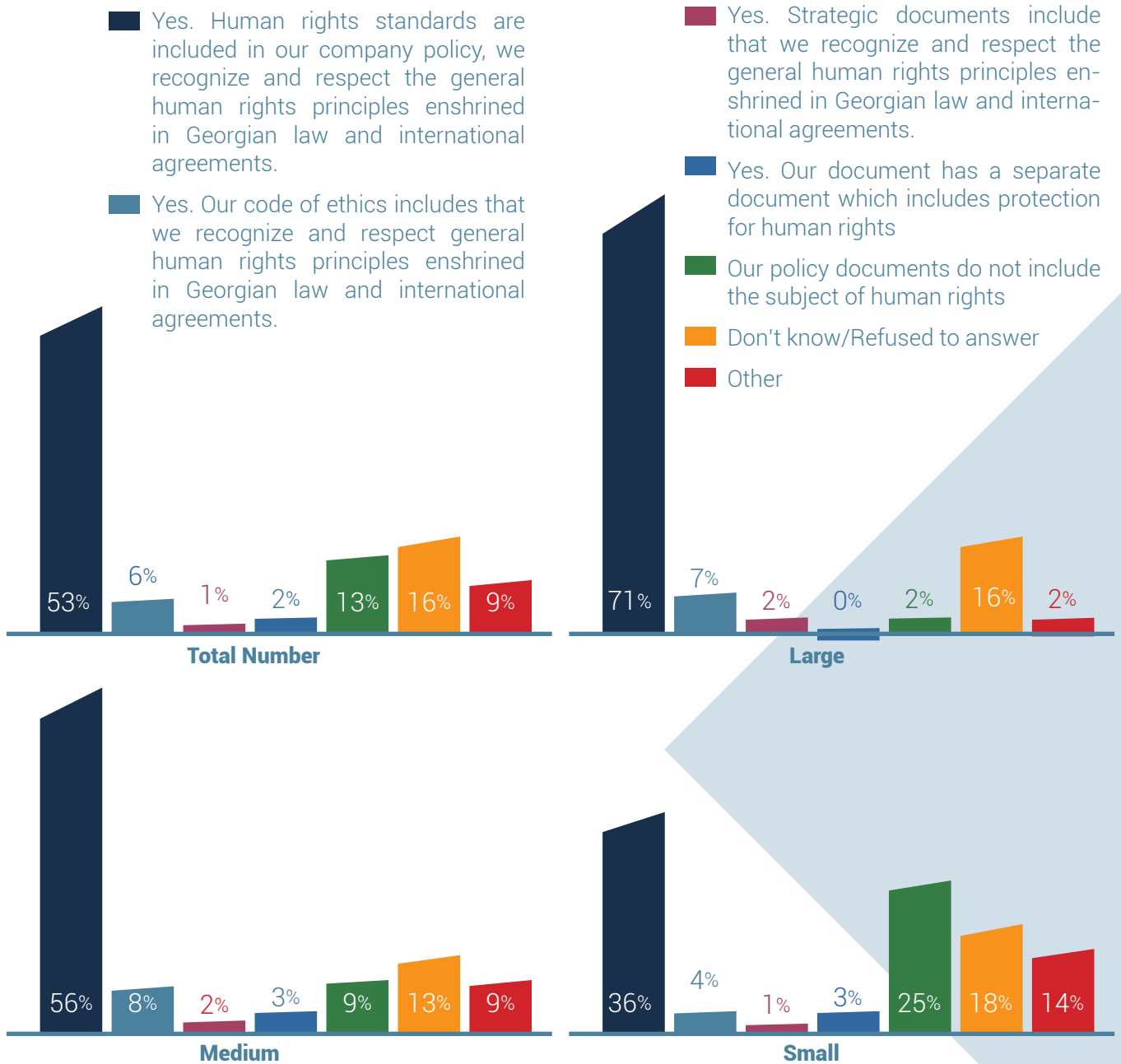
- We require that our contractors/partners recognize and respect generally accepted human rights standards
- We recommend and assist our contractors/partners to recognize and respect generally accepted human rights standards
- We select our contractors/partners by how they recognize and respect, or are prepared to recognize and respect, generally accepted human rights standards and this is included in our internal process description
- We select our contractors/partners by how they recognize and respect, or are prepared to recognize and respect, generally accepted human rights standards, although this is not included in our internal process description
- This dimension does not impact our relationships with our contractors/partners
- Don't know/Refused to answer
- Other



Besides, the quantitative survey documented that about 60% of interviewed companies have a policy preventing human rights violation within the company, formalized and included mainly in company's policy document that covers human rights standards as well (53%). Others follow the Code of Ethics (6%) or Strategic Document (1%). It is notable, that one fourth of surveyed small enterprises' formal document do not include the topic on human rights issues at all (for more details see Chart 9 below).

CHART 9:

Existence of policy to prevent human rights violation within the company



The findings of qualitative and desk studies indicate two major patterns of contribution to the economic growth:

- Companies producing or selling the material products usually contribute to economic growth through reinvestment in their infrastructure and production;
- Companies from service sector launch programs that support the start-ups and entrepreneurship.

With regard to the research's findings, businesses tend to spread their services in the peripheral regions and deliver their products to all regions of Georgia. However, the coverage of the operations is frequently connected to the sector of the economy they are engaged in and the type of product/service they pro-

duce. In addition, the bigger the companies, the greater the chance to provide their products, services and employment opportunities in the peripheral regions of Georgia and support the regional development too through opening their offices and the creation of employment opportunities in the regions. During the research, some companies had integrated in their policy the promotion of employing locals in their projects. With regard to the labour rights of the staff, the companies provide equal remuneration for all their employees. As mentioned in the previous chapter, businesses provide various development opportunities for their staff. In addition, some companies work with universities and participate in employment fairs in order to support youth employment and select new workers.

Due to legislative changes, the companies emphasized labour safety too. Some companies from the industrial or construction sectors mentioned that they held the labour safety trainings every 2-3 months and have special monitoring mechanisms at their sites too.

In light of the COVID-19 pandemic, the **Nexia TA** launched the new project "Move on Georgia" which allows the organizations and individuals (being damaged during the pandemic) to receive different training programs and the main services of Nexia TA for free. The main aim of the project is to support business entities which are on the verge of economic crisis. Nexia TA implemented the second project – "Nexia TA – to protect your rights" in 2019. The project aimed to support businesses which could not defend their own interests and rights given their own modest resources. Within the framework of this project, companies which received tax liability from the tax authority with the violations of legislation had a chance to receive high quality services and defend their rights in the relevant legal circuits.

Under Goal 8, **GEPRA** proposes decent working conditions, fair treatment and equal conditions for its employees. The employment policy of the company covers all aspects related to hiring and promotion, wage and salary administration. Due to the legislative changes in 2019, the company hired a labour inspector.

MBC contributes to the economic growth through the provision of employment opportunities in peripheral regions with their new branches. In addition, the company created a permanent hot-line for female entrepreneurs and start-ups where they can receive information about the banking services, financial issues and have free consultations.

The **Adjara Group** supports youth employment and empowerment. Currently, 34.4% (555) of the company employees are under 24 years of age, all of whom undergo various trainings relevant to their fields of expertise at the company. Due to the fact that many young people working in the company are university students, the company offers flexible working schedules to them. Aside from youth employment, the company contributes to economic growth and regional development through prioritizing the employment of local people. Currently, 46.5% (128 out of 275) of the staff at Rooms Hotel Kazbegi is composed of people living in the Kazbegi Municipality. Local community members make up 47.3% (26 out of 55) of the Udabno project's full-time staff and 100% of the seasonal staff is from the neighboring villages. Moreover, 44.5% (75 out of 169) of the recently opened Rooms Hotel Kokhta's team is made up of the people living in the region. In addition, the Adjara Group supports regional development through its projects in Kazbegi, Kokhta-Mitarbi, and Udabno. Within these projects, the company works with guesthouses, transportation companies, local tour operators, and farmers. Hence, the projects stimulate local businesses and have an overall positive impact on the economic climate in the region.

Inquired **dairy company** contributes to the implementation of goal 8 with reinvestment. The future plans of the company refer to the increasing of production capacity and exporting of their products to neighboring countries. In terms of Goal 8, the company participates in employment forums organized at universities in order to select and raise new staff members. In addition, the company supports regional development. The business distribution in the company is roughly 50%-50% (Tbilisi-other regions) and they provide

every town and village in Georgia with their products. In terms of labour rights, the company provides equal remuneration for the same level and amount of work, creates opportunities for development through trainings; among which, the labour safety training is delivered to the employees in every 2-3 months.

According to **Altihut**, the company contributes to the development of Kazbegi region and adventurous tourism in the surrounding area. With innovative and ecological approaches, the company brought eco-tourism and attracted the high-income tourists in the region. Noteworthy, company prioritizes the employment of local stuff and has contracted micro-entrepreneurs. The company has 20 permanent contractors from the surrounding villages; part of them provide agricultural and dairy products for Altihut, while others provide the transportation service. In October-November 2018, the company paid 92 000 GEL to contracted horsemen in transportation of construction materials. During that time, income of contracted horsemen was increased with 300%. It worth noting that the company promotes the legal business operation and tax payment among its contractors; generally, it is one of the precondition of cooperation. Aside these, the company provides the employment opportunity too; it employs the females from the surrounding villages in laundry.

The interviewed **construction company** has plans for development in Tbilisi and other regions as well. However, the balance of business activity between Tbilisi and other regions is 90%-10%. Due to the specific field of operations, the company pays particular attention to safety. Construction is carried out by contractor companies and compliance with safety standards is largely their responsibility. However, the company has a quality and safety control department, which directly monitors the construction process so that all safety and sanitation norms are met. The sanitary and safety norms are controlled in the office too.

The inquired **law firm** which is engaged in CR activities has start-up status and cooperates with the Georgia's Innovation and Technology Agency (GITA). The company provides start-up businesses with free services in 4 areas: (1) business registration, (2) trademark registration, (3) intellectual property protection and (4) obtaining licenses. The development opportunities and remuneration for their employees is written up in their policy in accordance with staff positions.

The inquired **energy companies** have reported that they are growing and contribute to economic develop-



ment via expansion of their business operations. With regard to remuneration and labour rights, the companies indicated that the remuneration system is written in internal regulations and they provide equal pay for equal work. One **energy company**, which participated in desk-research, paid particular attention to labour safety in 2019 CR report. According to it, this particular company provides its workers with non-flammable clothes in case of necessity. There was not one incident of industrial injury in the company. Within the economic growth, the same company had contributed to the development of domestic tourism and popularization of lesser known tourist destinations. The company launched the social campaign within which 16 video blogs have been prepared about the unique protected areas of Georgia with distinctive biodiversity. The blogs have more than 2 million views in the Internet. It presents the most popular routes, mountain-hiking trails and assists in discovery of new directions. It provides viewers with comprehensive information about the safe travelling.

The inquired **manufacturing company** has contributed to economic growth through opening of new branches in Tbilisi and Kutaisi. In Kutaisi, the company already employed 15 individuals. It is worth noting that the company plans to expand in the regions.

Within the frames of Goal 8, **TBC Bank** has made efforts to support economic growth and entrepreneurship in the country. According to the 2019 CR report, the company supports businesses with financial and non-financial products. The company has a program, "Start-uper", which supports the development of start-ups and stimulates the new businesses. In 2019, more than 700 start-ups received trainings under the program, 2 start-up discussions have been organized and articles and blogposts have been written about the success stories of approximately 150 start-ups. Within the frames of the program, the platform "Startuperi.ge" was created which brings together information about 456 start-ups in Georgia and provides them with special offers from partner companies.

Efes Georgia pays particular attention to the safety of employees. Since 2013, the company is certified in health and labour safety management systems; it has 2 health and labour safety consultants. With regard to labour safety, the company uses 22 internal and 7 external documents about labour safety as guides.

APM Terminals Poti prioritizes labour safety within the company. According to the inquired company, the company works under the practice and "the Global Values of APMM Group", which prioritizes safe working conditions, health, full insurance, and equal pay. There is one big organizational unit - HSSE (Department of Labor, General Safety and Environment) - that works on labour safety. A risk assessment procedure is prescribed for all positions, which is constantly updated and re-evaluated. In terms of future development, the Poti Sea Port expansion project is important, which will create additional jobs and will be an important economic opportunity for the local community and the region.

In terms of Goal 8, the **Bank of Georgia** has promoted the creation of social enterprises over the last four years. The projects carried out under this direction are directed to implement Goal 8 and Goal 10, as it promotes both the economic growth and inclusion of disadvantaged groups. The bank finances small enterprises up to 50 000 GEL if they have a sustainable business plan and provide employment for people with special needs - these two are inclusion criteria for receiving the grant. The company has financed social enterprises in Kaspi, Lagodekhi, Tsnori, Batumi, Kutaisi, Zestafoni; all financed enterprises provide the adapted environment to the employees. Aside to this, the company has started new projects this year. In cooperation with GITA, the company started 500 start-up acceleration projects which is very important for the country and its economy. This is the project which helps businesses and start-ups in development; the state authority and Bank have given lots of effort in order to implement the project.

c) Industry, innovation and infrastructure

The following SDG is connected to the development of resilient infrastructure, promotion of sustainable industrialization and innovations. According to the qualitative and desk-study findings, the companies were more active towards the development of infrastructure and innovative ideas to boost economic development. The companies from the industrial sector made efforts to support sustainable industrialization.

Efes Georgia is one of the companies that contribute to the implementation of Goal 9 – sustainable industrialization. Namely, the company has commissioned a biological wastewater treatment plant to clean and recycle wastewater and fecal masses produced as a result of the entire production cycle. In addition, the factory collects CO₂ generated during the operation of the plant, which is released as a result of fermentation, and uses it again for the production of gas.

BOX 6. The project “Start-Up Leave” of TBC Bank supporting the innovation

In 2019, TBC Bank launched the innovative project “Start-up Leave”, which was a part of “Start-uper” and promotes entrepreneurship within the company. The overall goal of the project was to contribute to the development of the start-up ecosystem in Georgia. For this purpose, the company gave, to employees who had innovative ideas, the time and opportunity to implement their ideas. The bank supported them through 6-month paid leave. Within the frames of “Start-up Leave”, 3 innovative projects – “Ge Parts”, “Inventor”, “Soko” – were selected out of 24, which will be implemented in 2020.

The **dairy company** had a project that supported the development of public infrastructure. Under the project, a park was built in Zedazeni and picnic and hiking zones were made for children with company funding. Part of Zedazeni forest, up to 3 km, is annually cleaned and maintained by the company.

The Bank of Georgia has contributed to the Goal 9 through the adaptation of infrastructure and streets. The company has adapted more than 14 streets and made ramps. Initially the bank was doing it with its own resources; at the moment, the government has taken responsibility over it.

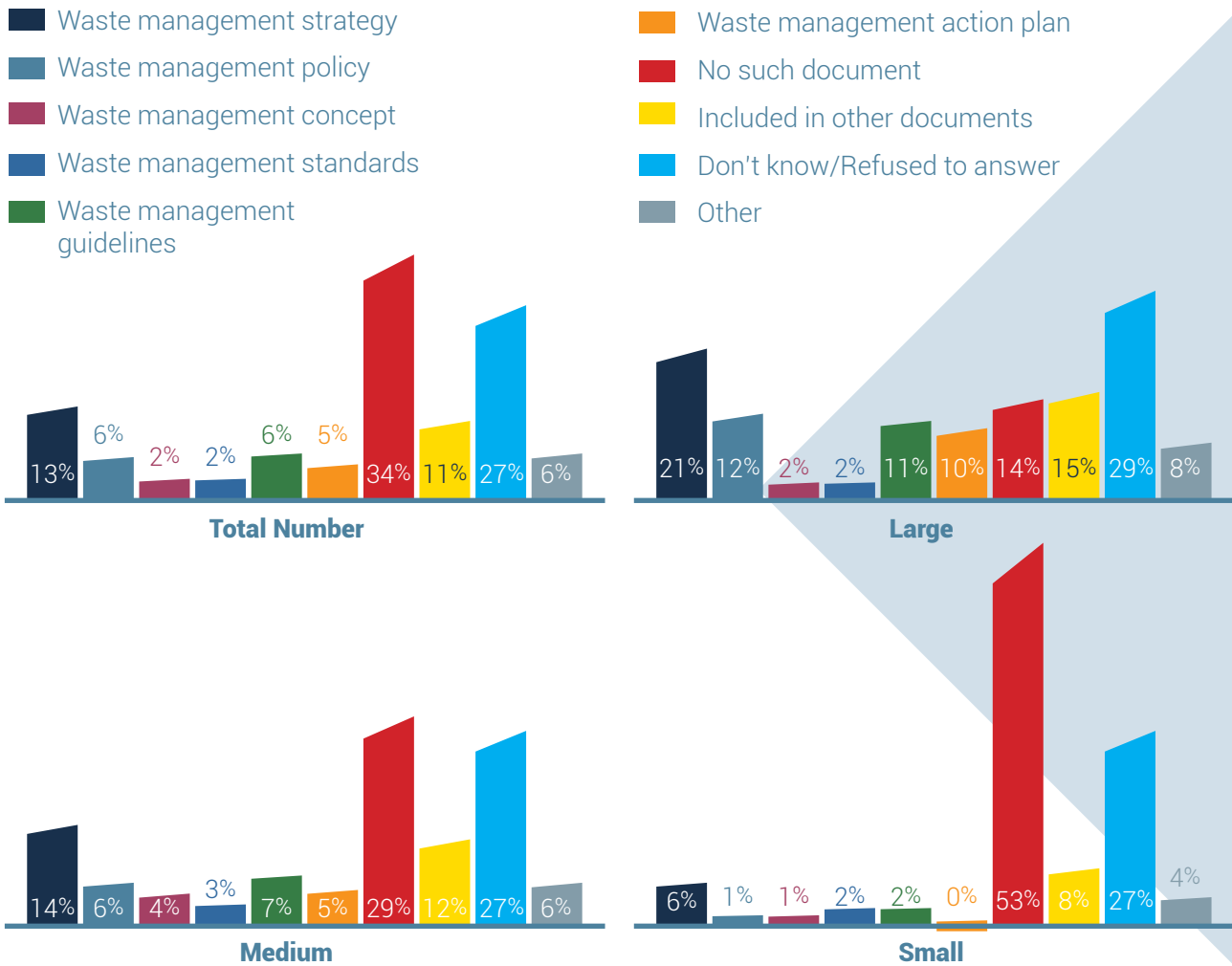
d) Sustainable consumption and production

In light of sustainable development, Goal 12 of SDG - the development of sustainable consumption and production patterns - are very important in a long run. With interviewed companies, both of these components are both relevant and important. According to the findings of qualitative and desk research, the companies based on their field of operations paid attention to at least sustainable consumption. With regard to the interviewed companies, three types of efforts were observed during the qualitative research - (1) the companies paying attention to the management and processing of industrial waste, (2) some companies monitoring and researching the impact of their work on the environment, and (3) companies promoting sustainable consumption practices in their offices and sites (waste management, reduced usage of plastic, recycling of office waste and so on).

According to the quantitative survey results, more than one third of interviewed enterprises reported the company has a formal document that thoroughly describes waste management standards and principles for their business operations. Type of formal document regulating this particular aspect varies among surveyed companies and is represented in any of the following types: waste management strategy, policy, concept, standards, guidelines and/or action plans. More than 10% of companies said the respective

standards are included in other documents as integral part. Importantly, more than one third of surveyed companies mentioned they do not have a formal document regulating this particular topic (mostly medium and small enterprises). For more details, see Chart 10 below.

CHART 10:
Existence of policy to prevent human rights violation within the company



Within the qualitative desk study, the companies have shared their experiences and vision about the Goal 12. The present chapter introduces the patterns of contribution that deserves recognition.

One of the goals of **Altihut** was the creation of a waste management system at one of the most popular tourism destinations in Georgia. In Kazbegi, the travellers who visit Mkinvartsveri often stay at glacier tongue, which is one of the most visited area by the visitors of Kazbegi. They used to pollute area with waste and excrements. the company took initiative, gathers waste and built bio-toilets.

The Adjara Group pays attention to plastic pollution and cooperates with Plasticwatcher.ge in order to address this problem. The initiative creates handbags, coats, and other fashionable items entirely from recycled polyester bags.

TBC Bank made efforts to support the sustainable consumption goal of SDGs; according to the company's practice, the waste is separated in the head office. The paper gathered in the head office is used for printing books, which are given to libraries in mountainous areas for free. In addition, the company is attempting to digitalize the process which reduces paper consumption.

Efes Georgia has integrated sustainability in their production and consumption through the following steps: (1) company practices repeated use of glass bottles; (2) the waste is gathered separately and is sent to the contractor companies; (3) incoming wrapping cardboard is cut and used as a mat for jars and bottles; (4) by reducing the length of pet capsule, the mass of the pet was reduced, which reduced both the amount of plastic used and the amount of various substances released into the air as a result of the pet's inflating.

In 2018-2020, **APM Terminals Poti** supported Goal 12 through: (1) the removing ozone depleting substances from the production process; (2) the company introduced a waste separation methodology; this technology is one the most important environmental activities as it minimized inorganic dust emissions in the atmosphere (the separation of hazardous and non-hazardous waste has taken place since 2011, while separation of hazardous waste started since 2017); (3) the company removed substances containing fluorine-chromium-hydrocarbon from the refrigerants; (4) the company gathers used papers in the administrative building and cooperates with the enterprise "Green Gift" in order to promote paper recycling.

The **law firm** which participated in the research uses the sustainable consumption policy in the working process. The company follows the green policy and pays attention to waste management in the office. They have replaced polyethylene cups with cardboard cups. The collected used paper is sent for recycling. The company wants to do more in this direction; they are searching for the company which will assist them in separation and development of a waste management system.

One of the **energy companies** pays particular attention to waste management. According to the in-depth interview, an outsourcing company works for them that ensures that the waste is separated, managed, and utilized, in accordance to standards and rules. Another energy company has indicated that the monitoring of their impact on the environment is becoming the new priority area for their company. Namely, the energy company plans to minimize the dissipation. In terms of the sustainable production component, the company also pays attention to the condition of cultural heritage located closer to their pipelines. With regard to the industrial waste management issues, the company has an international document about waste management and its own landfill which meets international standards.



III. Democratic Governance

Majority of interviewed companies have made the gender equality as one of the priority areas within their CR strategy. According to the research, the two main patterns of implementation observed are: (1) the companies tend to create non-discriminatory recruitment systems which allows equal opportunity for the women and reduces the risks of sexual harassment and (2) companies promote the representation of women in non-traditional fields and positions. Besides, transparency and anti-corruption measures are highly important for the studied companies. The digitalization of systems and systematization of procedures are directly serving this goal.

Quantitative survey discovered small share of interviewed companies (varying from about 2% to 11%) implementing activities ultimately contributing to the implementation of the Goal 5 (reaching gender equality and improving women's and girls' opportunities), and Goal 10 (reducing inequality inside and between nations) and Goal 16 (partnerships to achieve sustainable development goals). Among the mentioned SDGs, seems private sector (generally large companies) mostly contribute to the implementation of Goal 16 (11% of entire sample and 16% among large companies). The second most attended Goal in the context of democratic governance is Goal 5 (for more results see Table 3 below).

TABLE 3:
Directions addressed by the interviewed companies (Goals 5, 10 and 16)

| Which of the directions listed below are addressed by your csr projects? (multiple answers possible) | Total number | Large | Medium | Small |
|------------------------------------------------------------------------------------------------------|--------------|-------|--------|-------|
| GOAL 5 Reaching gender equality and improving women's and girls' opportunities | 6.6% | 12.3% | 8.1% | 1.0% |
| GOAL 10: Reducing inequality inside and between nations | 1.8% | 4.1% | 1.6% | 0.3% |
| GOAL 16: Partnerships to achieve sustainable development goals | 11.0% | 16% | 13.0% | 5.4% |

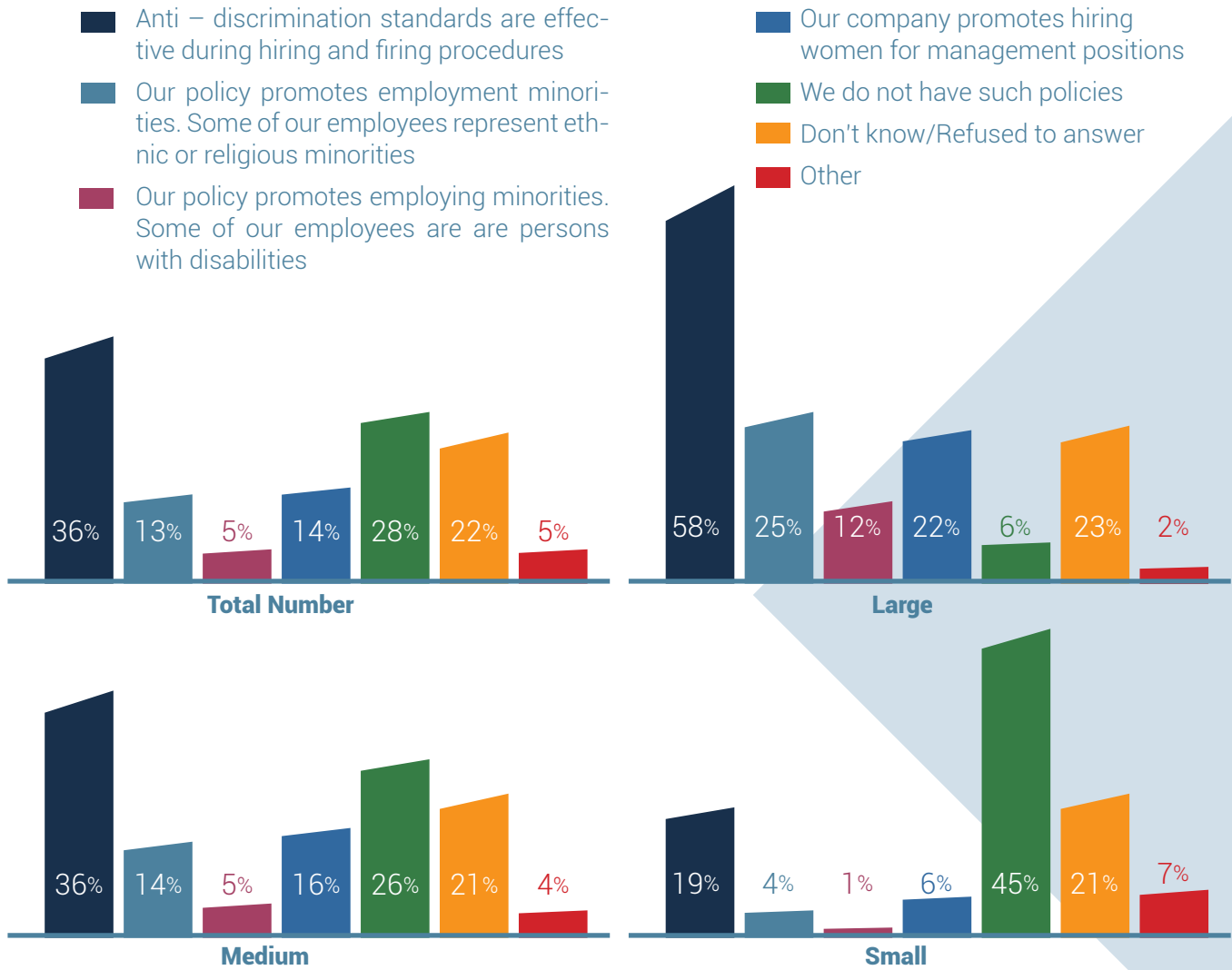
a) Equality

SDGs 5 and 10 focus on achieving gender equality and reducing inequalities. According to the quantitative survey, about 40% of interviewed companies noted they have anti-discrimination standards established and followed by the company and are effective within the hiring and firing procedures among others. Importantly, the share of companies promoting recruitment of ethnic and religious minorities among the staff reaches 13% within the entire sample and represents 25% in large companies. This share is decreasing in accordance to the size of the company. Only 5% of companies reported their policy promotes employing and subsequently companies' staff include some people with different types of disabilities. Moreover, 14% of companies (mostly large enterprises (22%)), mentioned that their company promotes hiring women for management positions and about one third of surveyed companies (mostly small enterprises (45%)) does not have such policies at all (for more details see Chart 11 below).

CHART 11:

What anti-discrimination mechanisms does your company have and how would you evaluate the anti-discrimination environment overall?

(Multiple answers possible)



According to the qualitative and desk research findings, the companies in question follow various practices and policies that promote equality in their corporate cultures. The efforts have several directions, the companies follow non-discrimination policies with the staff, promote gender equality, promote women's empowerment through entrepreneurship and focus to include people with disabilities and their inclusion. Interviewed **manufacturing company** reported that equality is very valued within their company and they give equal employment opportunity to people. The company has two inclusive employees and it has given scholarship to one inclusive child. Out of 169 employees of company 10 Individuals (7%) are from ethnic minorities living in Georgia; namely, they are from Ukrainian, Russian, Armenian minorities living in Tbilisi. **Altihut** pays attention to equality and gender balance in the company; during important decision-making, the company management takes this into account. The company prioritize to have female contractors and have several female managers. The company has hired 3 female and 2 male managers. Besides, company has 2 female partners who are engaged in decision-making.

In terms of Goal 10 of SDG, the **Adjara Group** financially supports the National Center for People with Autism, which is crucial for moving forward towards a more inclusive and equal society in Georgia. The Center is designed to help individuals with autism develop skills to live independently and become active members of the workforce.

In terms of equality, **GEPRA** has identified several priority areas. One of them is support for human rights and non-discrimination in the organization. GEPRA creates a safe workplace environment for everyone and protects staff from psychological, physical, sexual and verbal harassment. The company created a compliant mechanism for employees in case of abuse of human rights and labour rights (discrimination, sexual harassment).

MBC actively works to support people with disabilities and actively cooperates with other organizations in this field.

APM Terminals Poti made efforts to contribute to both Goal 10. Namely, the company celebrated "Diversity and Inclusion Week" in march 2019-2020. The event is dedicated to promotion of vulnerable groups and minority groups in individual or organizational context, diversity, the openness towards them. Within this week, the awareness raising and information sessions with story-telling and experience sharing activities were organized.

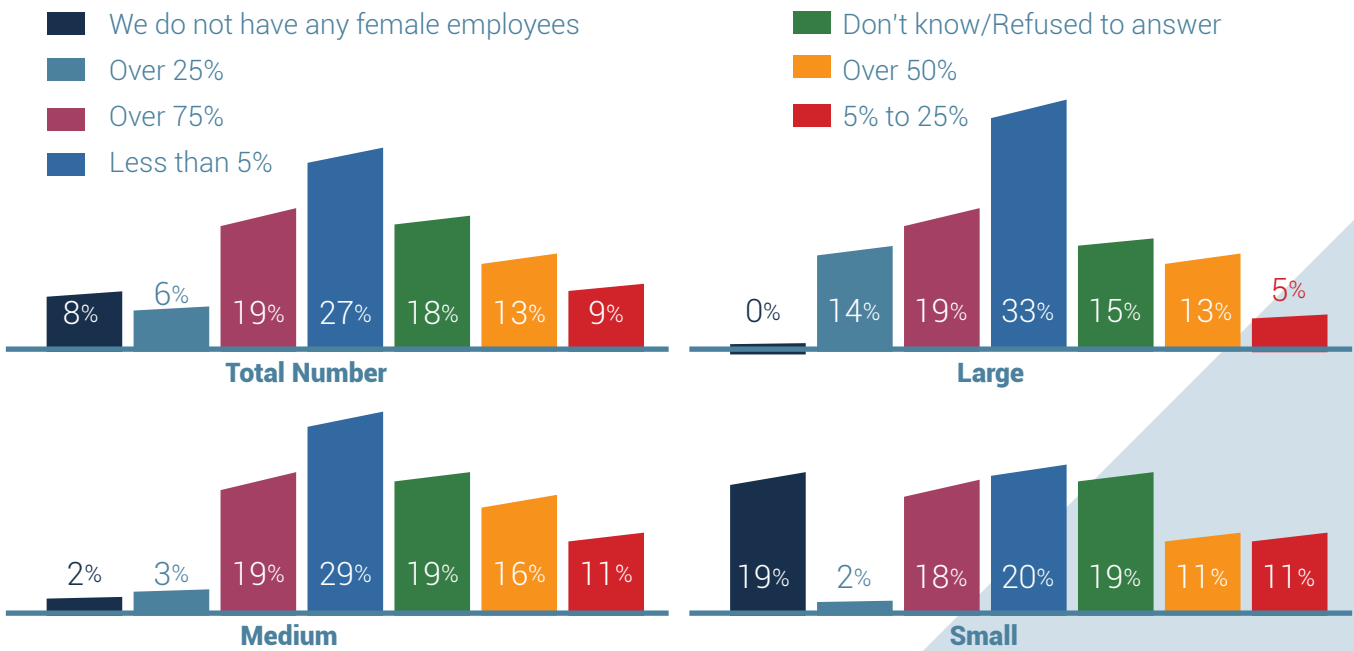
In 2011, **Efes Georgia** established the "Fund Natakhtari", which aimed to strengthen children without caregivers and prepare them for independent life. Since 2011, "Fund Natakhtari" has given assistance to 550 beneficiaries; among them, more than 320 are now employed, and more than 280 young people received an education. As a result of Fund's social advocacy, young people who do not have caregivers and are beneficiaries of state care programs are given opportunities to receive additional services which are supported by "Fund Natakhtari". Aside from youth empowerment, the fund developed services that assisted the families on the verge of crisis. It is worth noting that that fund was engaged in the establishment of a social enterprise – carwash facility - in Rustavi which employed 2 persons with disabilities (cerebral palsy) and 3 young persons who left small family homes. The social enterprise worked for two years. At the moment, it is owned by an individual entrepreneur; however, the staff still works there and receives a salary.

The **dairy company** undertakes various activities that contribute to the creation of more equal opportunities. Based on the in-depth interview, being a former prisoner is not an obstacle for employment in this company, as they have former prisoners in their staff. Further, as was already discussed, the company has projects in the direction of (1) inclusive education, building the special school and (2) supporting vulnerable groups through employment. All of these activities make a general contribution to Goal 10 of SDG.

Gender equality and women`s empowerment

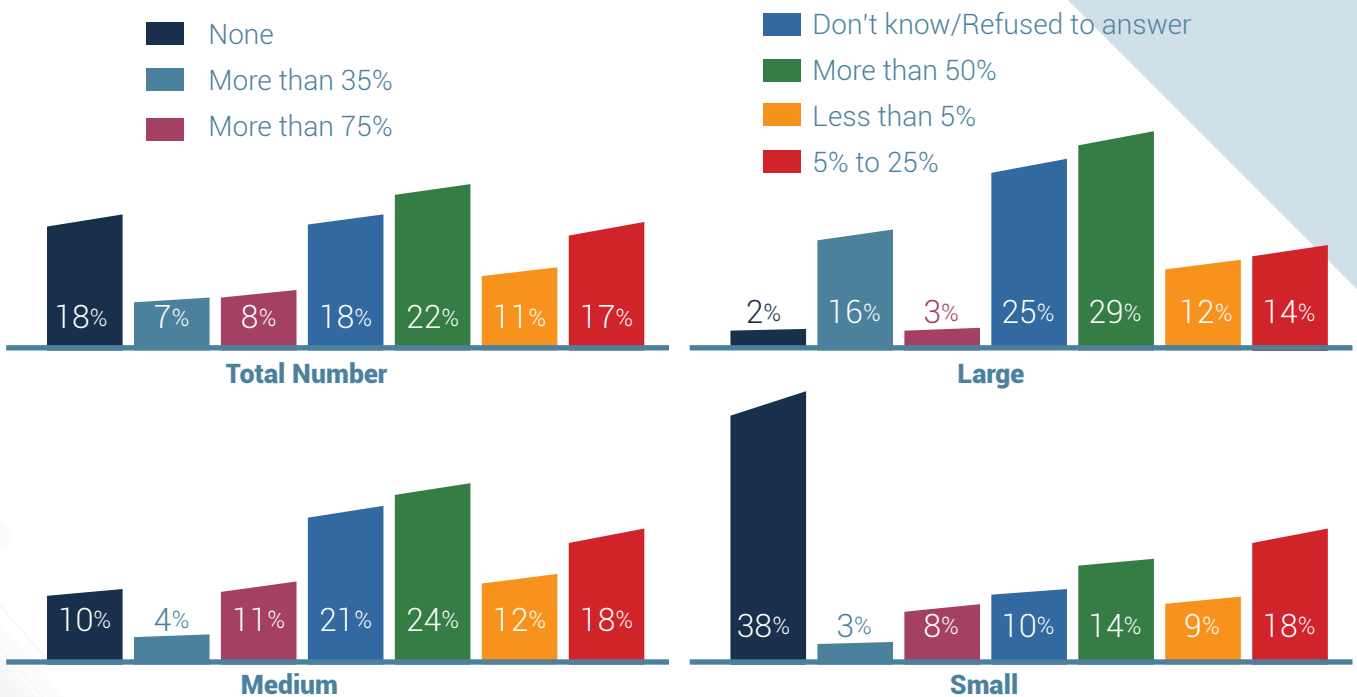
Besides the general definition of equality and inclusivity, qualitative study findings illustrated that companies had particular activities that supported the women promotion at workplace and created the safe working environment for them. According to the quantitative survey, the share of female employees among the studied companies varies. Nearly one third of the surveyed companies have more than half women among their employees. Less than one fifth of enterprises reported the gender balance is represented by 25%/75% in favor of women. About 9% of companies noted the women are represented by less than 5% in their company (for more details see Chart 12 below).

CHART 12:
Representation of women among companies' staff



Moreover, only 2% of large companies mentioned they have none of the women managers at the company. The same share is significantly big (38%) within the small enterprises. In about 40% of surveyed companies, the share of women managers among managerial positions varies from 25 to 50% (for more results and differences in according to the company size, see Chart 13 below).

CHART 13:
Representation of women at managerial positions in the companies
What is the percentage share of woman managers in your company?



The findings of qualitative and quantitative research illustrated that inquired companies have paid attention to women rights, gender equality and have made efforts to promote the representation of women at different managerial or non-traditional professions. The efforts and projects with similar objectives directly serve the Goal 5 of SDG that aims the empowerment of women and girls and provides increased opportunities for them.

The **Bank of Georgia** supports gender equality within and outside of the company. With regard to its outside activities, the Bank of Georgia was engaged in the EBRD project "Women in the Business", which finances female-led start-ups, and female entrepreneurs. Under this project, the bank provided loans for women with special provisions. Within this project, the bank received a large portfolio from the EBRD. According to in-depth interviews, many women received financing from this project. Noteworthy, support from the BoG is not related only to financing. The company provides different trainings to their target group that might be useful for them. In terms of gender equality within the bank, the women are less represented in the top management, while a number of women prevail in other managerial positions. The only exception is the board of directors, where they are less represented.

The ProCredit Bank pays attention to gender equality within the organization. Based on the in-depth interview, 64% of employees are women throughout Georgia. Further 2 out of 3 members of the management board of the bank are women. The bank provides a flexible scheme of health insurance and maternity leave to women. With regard to the discrimination policy, the bank protects all the standards. According to in-depth interviews, all forms of discrimination are protected against in the bank.

Adjara Group selected gender equality and inclusivity as one of the priorities of its CR policy and they are incorporated into their internal regulations. Importantly, the company is aiming to have an equal representation of women on three levels of the company. At the end of 2019, Adjara Group's board of directors was 42% women and 58% men. Moreover, all the general and operational managers of the company's hospitality establishments are women.

GEPR created a Code of Conduct that explicitly supports gender equality. The company also provides trainings about gender equality issues, sexual harassment and other forms of gender-based violence for its employees through cooperation with CSOs and other institutions.

MBC promotes equality with emphasize on gender equality and women rights within and outside the company. According to the company, it funds the projects of women and delivers trainings for their empowerment. As for the inner organizational activities, first, the wage differences are balanced between men and women; second, the company has a special program for employees in case they are the victims of domestic violence and there is also a program that allows employees to directly address the board in case of sexual harassment.

APM Terminals Poti is one of the signatory companies of "Women's Empowerment Principles" (WEPs). The company supports gender equality inside and outside of the organization. It delivers training to staff to raise awareness about gender equality issues; in addition, it cooperates with NGOs which facilitate women's engagement in economic activities. The company has project "Inport" which promotes the engagement of women in non-traditional fields; under the program, company hired female interns as welders, labour safety officers, crane drivers, etc.

With regard to Goal 5, the company **Efes Georgia** reimburses maternity leave and promotes women to work women to work in managerial or non-traditional position; for instance, women are presented at managerial and executive positions like the head of planning, logistics and development department, IT manager, procurement manager, head of human resource management, brand manager, marketing research manager, PR and digital communication manager.

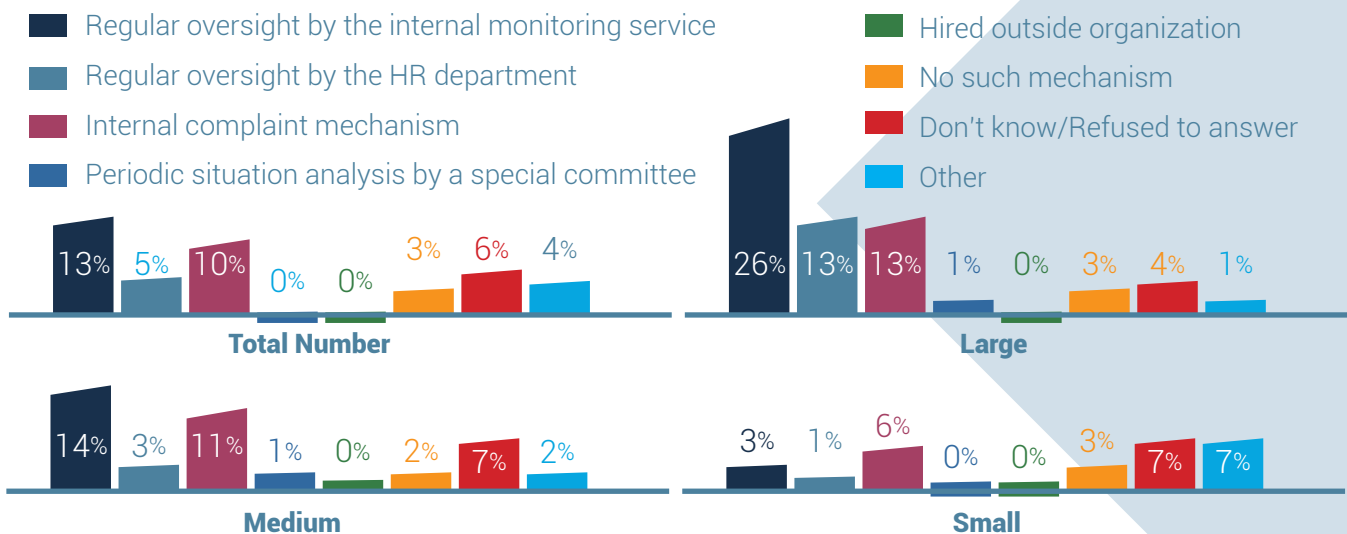
b) Peace, Justice and Strong Institutions

Goal 16 of SDG is to promote just, peaceful, and inclusive societies. In Georgia, companies tend to contribute to this goal through the creation of transparent and accountable systems that are based on ethics and business principles. Goal 16 also incorporates the development of anti-corruption mechanisms; under anti-corruption efforts, some companies deliver the trainings about corruption and its risk in order to raise awareness to their employees about the issues.

As quantitative survey findings suggest, about one third of interviewed companies (mostly large and medium-sized companies) noted they have incorporated anti-corruption standards within their internal documentation (organization's charter, code of ethics, strategy document). Moreover, in Georgian organizations, the main document that mentions the anti-corruption issues is the statute. Anti-corruption standards monitoring and corruption prevention mechanisms are also poorly implemented. Some large organizations mention that these functions are implemented by the Internal Monitoring units or HR departments. 13% of large organizations and 11% of medium-sized organizations have also an internal complaint mechanism (see Chart 14 below).

In the case of small organizations, anti-corruption issues do not have any significant impact on their decisions to choose business partners.

CHART 14:
What kind of anti-corruption monitoring and prevention mechanisms does your organization have?



According to the 2019 CR report of **GEPR**, the company's internal procedures support the company's anti-corruption commitment and maintain a strict code of ethics in all of its business transactions. GEPR has created a compliance mechanism in order to prevent human rights violations and solve conflict.

According to the **APM Terminals Poti**, fair business operations are an integral part of their processes. The staff of the company is provided three trainings annually: (1) "obligatory anti-corruption teaching"; (2) Code of Conduct of the company; (3) "training about property crime". When necessary selected staff attends lectures about competition and relations with public servants.

The **KPMG Georgia** has an internal Risk Management Department which strictly controls bribery and corruption matters. The company has a written policy regarding corruption and delivers special trainings for all employees which explain to them all risks regarding bribery and corruption.

IV. Partnerships around the Goals

The Goal 17 puts particular emphasis on the cooperation and states that agenda could only be fulfilled through partnership and cooperation. Noteworthy, that Georgia has several mechanism of cooperation at state and CSO level; the Government of Georgia has created the SDG council which engages some representatives from Civil Society Organizations and Business Companies; In addition, the companies voluntarily joined two platforms – the CSR club and the UN Global Compact, and work on the implementation of SDG Agenda.

According to the research findings, the vast majority of companies have general knowledge about SDGs. With regards to the national implementation strategy and efforts, minor share of interviewed companies has general and majority of interviewed companies - almost no information at all. It is noteworthy, that the majority of companies have expressed interest and had a will to receive information about SDGs National Document. It will allow businesses to evaluate their CR strategies with respect to the national action plans and find their niche in common visions.

Besides, with regards to the communication with the business sector, several companies have stressed on the role of media that could take commitment over the promotion of CR direction of business sector. Several business companies have mentioned that media should be more sensitive, attentive towards the CR activities and facilitate the introduction of new corporate culture. According to the business and media companies, the media can encourage companies to develop their own or join others initiatives and generally promote the integration of CR in the business plans.

Partnerships with the Public and Non-Governmental Sector

In terms of partnership and cooperation the qualitative survey measured the prospect cooperation between different sectors, according to the findings, majority of companies (70%) have not heard about public-private partnership opportunities, including 60% of large companies. Only 30% of large companies, 28% of medium-sized companies, and 22% of small-sized enterprises express their interest to involve in such partnership projects in future. The willingness to get involved was mainly expressed if such projects would provide new opportunities for their business development. The picture is more or less the same about partnership opportunities with NGOs. These results prove that both the government and the non-government sectors have to improve their communication with the business to increase the awareness of the partnership opportunities and demonstrate their benefits.



Conclusion

- The research clearly illustrates the high level of interest and engagement of the business community towards the implementation of SDGs in the country.
- Moreover, the engagement of the private sector in the implementation of Agenda 2030 is consistent and growing. The vast majority of interviewed companies mentioned that they have integrated a number of SDGs into their business plans, further ensuring such contributions to remain stable over the next decade.
- It is noteworthy that, according to the research's findings, a number of companies that are implementing activities that directly or indirectly support the implementation of SDGs in Georgia over the last 20 years within "charity work" were re-shaped into CR activities later on and target specific areas / SDG goals the companies have marked as a priority.
- The interviewed companies were unevenly informed about the SDGs; a small share of companies were engaged in cooperation mechanisms of some form (SDG council, CSR club, UN global compact) and had information about the 2030 agenda and sustainable goals. However, the vast majority of companies had no information about the SDG implementation agenda and committee. According to the findings, the companies believe that provisions of more information could be beneficial for everyone. It will allow businesses to evaluate their CR strategies with respect to the national action plans and find their niche in common visions. Aside from this, the companies believe that it will catalyze cooperation among businesses.
- A number of companies put strong emphasize on the importance of media coverage. According to the interviewed businesses, responsible media can influence the agenda of smaller or bigger businesses and promote the integration of CR direction in their systems. Proactive broadcasting of companies' success stories towards SDGs and CR will encourage the big enterprises to do even more and impact the agenda of small companies to engage in CR policies. Interviewed companies think that lots of work needs to be done in this direction.

Human Capital Development and Social Welfare

- The vast majority of interviewed companies (with exception of 1 or 2) had projects, initiatives or services that supported vulnerable groups and contributed to the implementation of Goal 1 or 2. It worth noting that many companies pursue Goal 1 and 2 under their charity work and do not necessarily disclose them as their CR activity.
- Almost all interviewed companies, particularly bigger enterprises, provide their staff with health insurance and arrange activities and/or provide services supporting a healthy lifestyle among the staff.
- It is noteworthy that the research indicated two patterns of implementation of goal 4 of SDG. Companies have policies that support the education of their employees and they have external projects that support the quality education for different target groups. In terms of internal policies, companies have training centers or finance trainings for their staff. In terms of external activities, they have projects that financially support young people to receive education or develop projects that are based on capacity building activities and indirectly contribute to Goal 4. For instance, a majority of interviewed companies contribute to environmental, economic development or gender equality goals and aim to achieve these goals through implementing various educational activities and trainings.

Economic Growth

- With regard to the economic aspects of SDGs, the companies, particularly big enterprises and members of UN Global Compact, highly value their employees. The interviewed companies have policies and practices that are based on decent working conditions, equal remuneration for equally performed work and the general protection of human rights in accordance with the law. According to the research's observations, the companies are largely focused on growth and organization development which is reflected in their attitude. Besides, two companies adopted a research-based development approach in their companies, which is one of the observed positive trends taking place currently and has space for further extension.
- One more new trend among the interviewed companies is the adoption of environmentally friendly and energy efficient operation strategies in their companies. Big enterprises from the industrial sector are strongly focused on bringing more innovative technologies in production to reduce their environmental impact. In addition, interviewed companies, particularly from the energy sector, increasingly promote the utilization of clean energy sources in their offices and branches. Several companies started the renewal of their parking lots, replacing cars which use gasoline with electric cars and the development of infrastructure for the massive utilization of clean transportation means among the general population. The last trend has just started and could be a focal point for the future cooperation.
- The vast majority of interviewed companies had activities focused on environmental protection and recovery. It worth noting that CR practices were mostly homogenous among companies. They made contributions to restore the green areas and elaborated waste management practices and policies.

Democratic Governance

- It is worth noting that many companies made gender equality one of the priority areas of their CR strategy. According to the research, the two main patterns of implementation observed were: the companies tend to create non-discriminatory recruitment systems which allows equal opportunity for the women and reduces the risks of sexual harassment and companies promote the representation of women in non-traditional fields and positions.
- Transparency and anti-corruption measures are highly important for the studied companies. The digitalization of systems and systematization of procedures are directly serving this goal.
- According to the research's findings, the companies need to be more proactively informed about the SDG implementation agenda in order to find their niche in the overall plan and elaborate strategies that will be suitable. In addition, it will increase the prospects of expanding cooperation too.

To sum the findings, the abovementioned areas and goals are the ones which are given the major priority in the business agendas of the companies. Hence, there could be further areas for future cooperation and collaboration which could bring more visible and tangible changes.



Annex 1:

List of companies involved in the qualitative research

| | |
|-----|----------------------------------------|
| 1 | Adjara Group |
| 2 | Aldagi |
| 3 | Alta |
| 4 | Altihut |
| 5 | APM Terminals Poti |
| 6 | Archi |
| 7 | Bank of Georgia |
| 8 | British Petroleum - Georgia |
| 9 | Business Media Georgia |
| 10 | Crystal |
| 11 | Dio |
| 12 | Efes Georgia |
| 13 | FINA |
| 14 | Georgian Railway |
| 15 | Georgian Water and Power |
| 16 | GEPRA |
| 17 | GLCC |
| 18 | Gulf Georgia |
| 19 | KPMG Georgia |
| 20 | MBC |
| 21 | Nexia TA |
| 22. | Palitra Media Holding |
| 23 | Policy and Management Consulting Group |
| 24 | ProCredit Bank |
| 25 | Sante GMT Products |
| 26 | SOCAR Georgia |
| 27 | TBC Bank |
| 28 | WISSOL Petroleum Georgia |



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