



**MALTA  
EMPLOYERS**



# 2025 Excellence through ESG

## A PATH TO LONG-TERM BUSINESS SUCCESS

MALTA EMPLOYERS' SME WEEK 2025 INITIATIVE PROCEEDINGS  
06 NOVEMBER 2025

IN CONJUNCTION WITH



IN COLLABORATION WITH







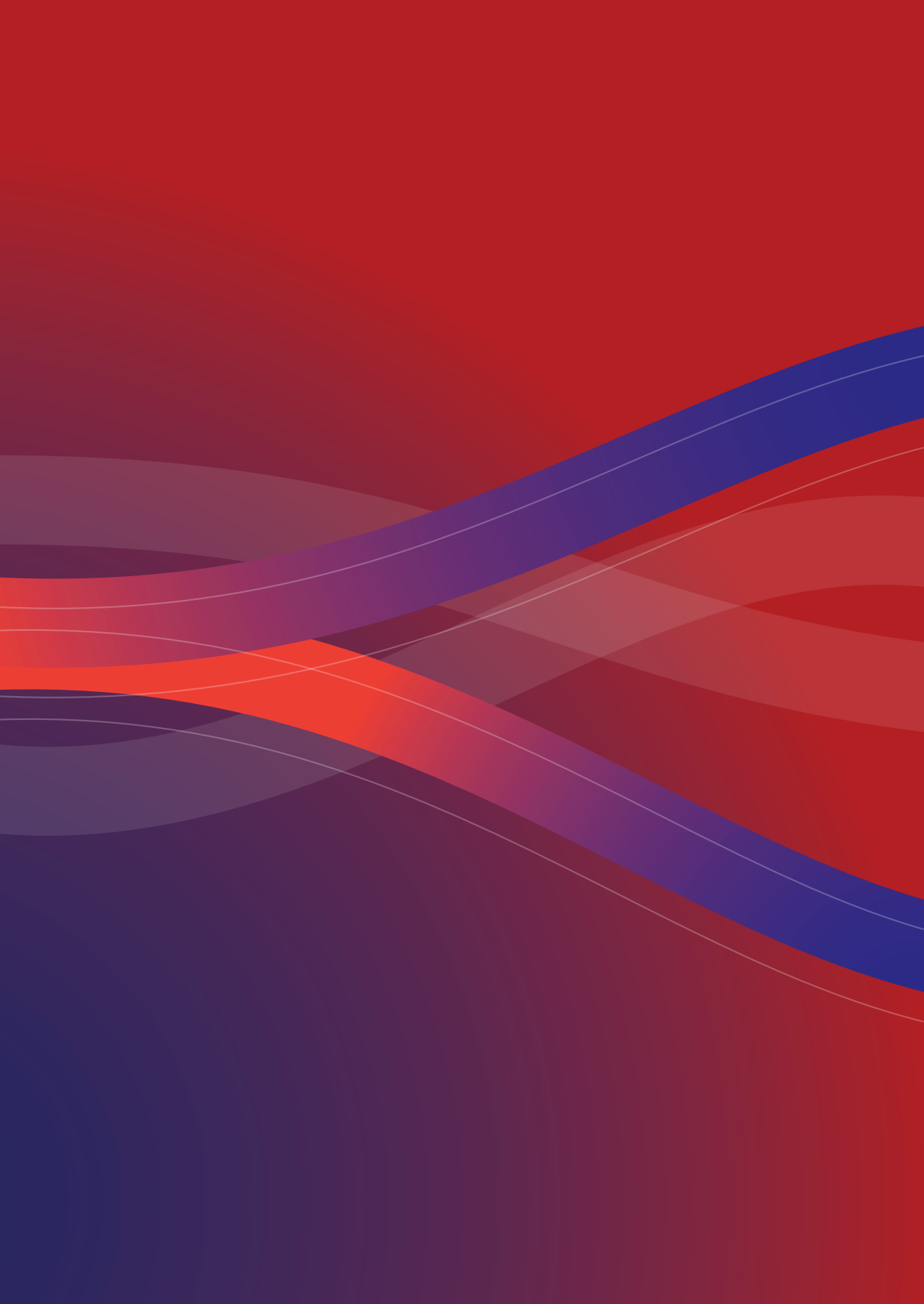
2025

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# REPORT







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EMPLOYERS**

**TOGETHER  
WE WILL**

**[maltaemployers.com](http://maltaemployers.com)**



# MALTA EMPLOYERS

## Who We Are

The Malta Employers' Association is a leading national representative body, formally recognised as a key social partner. As the voice of employers in Malta, we play a significant role in social dialogue, collaborating not only with Government and policymakers but, importantly, also with trade unions and other constituted bodies to further a balanced, productive, and competitive environment.

Our mission is to uphold the interests of all responsible employers, whilst fostering healthy employment relations and practices. Our members range from Malta's largest employer organisations, well-established groups of companies and listed entities to small start-ups and micro businesses still setting out on their journey.

With long decades of experience, we are firmly focused on the future and the opportunities ahead, and our Association therefore drives social dialogue and actively participates in policy-making for a sustainable and dynamic economy.

Firmly committed to Malta, we also have an open and international outlook – we are firmly plugged in to what is happening in the wider world around us, being members of the International Organisation of Employers (IOE) and represented in Europe via our on-going participation in SGI Europe, the World Employment Confederation of Europe (WEC Europe), and BUSINESSMED.

## We Are What We Believe

We are approachable, politically neutral, and pragmatic, and we strive for win-win solutions — it's all about strengthening relationships. Relationships between people, between people and the organisations which employ them, between organisations themselves and the society they form part of, and relationships with the entire economic system which they empower.

So, whilst we fiercely champion the interest of employer members, we respect all our social partners, fervently upholding the rule of law and the principles of good governance as we seek fair and equitable outcomes that can work.

## What We Do, How We Help

In line with our mission, we pursue a broad and dynamic remit, to encompass:

- **Influencing National Policy** – playing an influential role in shaping national legislation and strategy, representing employers in high-level discussions formulating national economic policy, legislation and strategy, labour law and budget proposals. As we aspire to shape the country's economic direction, we focus single-mindedly on fostering sustainable, long-term economic growth that aligns with our ethical principles.
- **Providing Specialised Businesses Support** – providing tangible assistance to companies at a micro level. Our in-house legal expertise is available to members, offering practical support on a wide range of employment matters, including employment law, industrial relations, and personnel management. Whether addressing employment contracts or resolving workplace disputes, we have become a trusted partner for navigating the complexities of Malta's labour market.
- **Driving Innovation and Business Transformation:** The Association is committed to providing businesses with the tools they need to adapt to an evolving marketplace. Through targeted resources and advisory services, we support members in embracing innovation, fostering digital transformation, and adopting forward-looking strategies to remain competitive.



## Executive Summary

*Malta Employers' "Excellence through ESG" conference, held during SME Week 2025, brought together over 120 stakeholders from across Malta's business ecosystem to address a critical challenge: transforming Environmental, Social, and Governance (ESG) principles from compliance obligations into competitive advantages for Malta's economy.*

This publication documents the comprehensive initiative leading up to and including the November 6th conference. It encompasses pre-event stakeholder consultations, expert presentations, interactive survey findings, panel discussions featuring 14 senior leaders from the public and private sectors, and concrete recommendations for advancing Malta's ESG agenda, with particular emphasis on the Social and Governance dimensions.

Despite growing awareness of ESG's strategic importance, Malta faces a significant implementation gap. Conference findings revealed that while 82% of corporate leaders believe ESG's role will continue to grow, many governance structures remain inadequately equipped to oversee complex ESG integration.

The social pillar presents particular challenges. Global employee engagement has fallen to 21% in 2024, its lowest level since the pandemic, and nearly half of companies identify a lack of employee engagement as their biggest ESG challenge. This disconnect costs the global economy an estimated €400 billion in lost productivity annually, with direct implications for Malta's competitive position in attracting and retaining international talent.

The conference positioned social excellence, encompassing workplace safety, employee engagement, fair labour practices, and community relationships, as the foundational pillar upon which environmental and governance initiatives must be built. Pre-conference consultations with over 25 senior professionals emphasised that occupational health and safety, often overlooked in ESG discussions, serves as both a productivity driver and a social equaliser, disproportionately affecting vulnerable and marginalised groups.

Survey results from conference participants reinforced this perspective. When asked about primary ESG benefits, "sustainability" and "reputation" emerged as top priorities. However, deeper analysis revealed that ESG's most significant workforce impacts are higher employee engagement and stronger employer branding, both of which are directly tied to social excellence. These findings align with research demonstrating that organisations excelling in social practices consistently outperform peers financially while attracting and retaining superior talent.

Perhaps the most consistent finding across all consultation phases was the critical importance of values-based leadership. Focus group participants and conference panellists alike emphasised that ESG cannot be treated as an external imposition or delegated to consultants and compliance teams. Instead, it must be integrated into core decision-making processes and governance structures, with leadership demonstrating authentic commitment through actions rather than policy statements.

Survey respondents reinforced this perspective, identifying “strategic ESG literacy” as the most critical board-level competence, significantly outpacing “tone from the top”. This finding suggests that Malta’s business community recognises that ESG requires a sophisticated strategic understanding rather than merely endorsement from leadership.

The conference concluded with a comprehensive action framework addressing immediate priorities for 2026, medium-term objectives through 2027, and strategic positioning goals extending to 2030. Key immediate priorities include:

- Developing SME-focused ESG resources that translate complex frameworks into accessible, practical guidance.
- Establishing robust data infrastructure to enable evidence-based ESG measurement and policy-making.
- Implementing capacity-building initiatives to address the identified know-how gap.
- Coordinating enforcement mechanisms to create fair competitive conditions.

Medium-term objectives focus on integrating ESG criteria into public procurement processes, developing national ESG indicators through the National Statistics Office, expanding financial sector support mechanisms, and establishing formal channels for worker voice in ESG governance.

As Malta’s voice for responsible employers, Malta Employers pledges to lead this transformation through four core commitments:

1. developing practical resources and tools tailored to Malta’s SME ecosystem,
2. providing targeted capacity building and training programmes,
3. convening stakeholders for ongoing dialogue and collaboration, and
4. advocating for supportive policies and regulatory frameworks.

This conference represents not an endpoint but a beginning, a collective commitment to ensuring that excellence through ESG becomes a defining characteristic of Malta’s economy, positioning the nation as a leader in responsible, sustainable, and people-centred business practices.

# Introduction

## **MALTA EMPLOYERS: SIX DECADES OF LEADERSHIP**

For 60 years, Malta Employers has served as the authoritative voice of Malta's business community, representing over 7,000 employers across more than 90 sectors. From our founding in 1965, we have consistently positioned ourselves at the forefront of addressing the challenges that matter most to Malta's economic development and competitiveness.

Our journey has encompassed navigating demographic shifts, advocating for progressive labour-market reforms, championing skills-development initiatives, and fostering constructive social dialogue among government, employers, and workers. Each initiative has been guided by a singular principle: that sustainable economic success requires balancing business competitiveness with social responsibility and ethical governance.

As we mark our 60th anniversary in 2025, we find ourselves at another critical juncture. Environmental, Social, and Governance considerations have evolved from peripheral corporate social responsibility activities to fundamental determinants of business success, access to capital, and competitive positioning. This transformation demands our attention, leadership, and strategic action.



## **OUR APPROACH TO THE ESG CONVERSATION**

Malta's economic model, characterised by openness to international investment, reliance on the services sector, and integration into European and global value chains, makes ESG excellence not merely desirable but essential. International investors increasingly incorporate ESG performance into investment decisions, with studies demonstrating that jurisdictions with robust ESG frameworks attract higher-quality, more sustainable investment flows.

For Malta's businesses, particularly the SMEs that constitute the backbone of our economy, ESG presents both challenges and opportunities. The challenges include navigating complex and evolving regulatory requirements, investing in new capabilities and systems, and competing for talent in a market where younger workers increasingly prioritise employers' values and social impact alongside compensation.

Yet the opportunities are equally compelling. Organisations that excel in ESG practices demonstrate superior risk management, enhanced innovation capacity, stronger stakeholder trust, better access to capital, and improved long-term financial performance. In Malta's interconnected business environment, where reputation travels quickly and relationships matter enormously, these advantages become even more pronounced.

While acknowledging that all three ESG pillars are essential, Malta Employers has chosen to focus this initiative on the Social and Governance dimensions. This strategic choice reflects both our organisational strengths and practical realities.

Environmental sustainability, while critical, often requires large-scale infrastructure investments, technological innovations, and policy frameworks that extend beyond individual organisations' immediate control. In contrast, social and governance improvements can be driven by changes within individual organisations and our interconnected business community, yielding more immediate, measurable results. Moreover, Malta Employers possesses deep expertise and extensive reach in precisely these areas. Through our work on labour relations, workplace safety, skills development, and employer-employee relations, we have built the knowledge base, relationships, and credibility to drive meaningful progress on social excellence. Similarly, our engagement with business governance, stakeholder relations, and ethical business practices positions us to advance governance standards across Malta's economy.

## METHODOLOGY

Malta Employers' ESG initiative was designed as a comprehensive, multi-phase engagement process rather than a single event. This approach reflects our conviction that meaningful progress requires building shared understanding, gathering diverse perspectives, and creating space for genuine dialogue.

- Phase 1: **Research and Analysis** (Spring 2025) involved a comprehensive review of international ESG frameworks, best practices from comparable jurisdictions, and Malta-specific challenges and opportunities. This research informed the development of a briefing document that framed key questions and established common terminology for subsequent consultations.
- Phase 2: **Focus Group Consultation** (June 24, 2025) brought together over 25 senior professionals representing public institutions, financial regulators, skills and welfare agencies, employers, and civil society organisations. This session generated rich insights about implementation barriers, emerging opportunities, and stakeholder priorities that shaped the conference design.
- Phase 3: **Conference Event** (November 6, 2025) assembled over 150 participants for a day-long program featuring keynote addresses from national leaders, expert presentations, interactive polling, and structured panel discussions. The conference deliberately balanced analysis with action orientation, ensuring that insights translate into concrete next steps.
- Phase 4: **Post-Conference Implementation** (Ongoing) involves documenting findings, developing resources, engaging stakeholders, and advocating for supportive policies. This publication serves as both a record of what was learned and a roadmap for collective action.

Throughout this process, Malta Employers has emphasised evidence-based analysis, inclusive engagement, practical orientation, and accountability. We have sought to move beyond rhetoric to identify specific, actionable steps that can drive measurable progress across Malta's business community.



# Understanding ESG: Social and Governance Focus

## WHAT ESG REALLY MEANS

Environmental, Social, and Governance (ESG) has become ubiquitous in business discourse, yet significant confusion persists about what these terms mean in practice. At its core, ESG is not a compliance checklist or reporting obligation; it is a framework for building responsible, resilient, high-performing organisations that create sustainable value for all stakeholders.

**Environmental** considerations encompass an organisation's impact on natural systems, climate change, resource depletion, pollution, biodiversity loss, and its efforts to minimise harm and create positive environmental outcomes.

**Social** dimensions address how organisations manage relationships with employees, communities, customers, suppliers, and society at large, encompassing labour practices, health and safety, diversity and inclusion, human rights, community engagement, and stakeholder wellbeing.

**Governance** involves the systems, processes, and structures through which organisations are directed and controlled, including board composition and effectiveness, executive compensation, stakeholder rights, business ethics, transparency, and accountability mechanisms.

These three dimensions are deeply interconnected. Strong governance creates frameworks for effective social and environmental programs. Engaged employees and trusted community relationships provide foundations for sustainable governance practices. Environmental sustainability requires both social inclusion and governance integrity to be credible and effective.

## SOCIAL EXCELLENCE: PEOPLE AS OUR GREATEST RESOURCE

Social excellence in the ESG context encompasses far more than traditional corporate social responsibility or philanthropy. It addresses the fundamental question of how organisations treat, develop, and empower the people who contribute to and are affected by their operations.

**For employers, social excellence begins with workplace fundamentals:** safe working conditions, fair compensation, reasonable working hours, respect for worker rights, and mechanisms for addressing grievances. These are not merely legal obligations; they are business imperatives that directly affect productivity, quality, and organisational reputation.

Occupational health and safety deserve particular emphasis. As highlighted in our focus group consultations, robust health and safety systems deliver tangible productivity gains, reduce absenteeism, and mitigate public health costs. Conversely, unsafe and unhealthy work conditions disproportionately affect vulnerable and marginalised groups, contributing to systemic inequality that undermines social cohesion and economic productivity. The EU Strategic Framework on Health and Safety at Work 2021-2027 explicitly positions occupational health integration within ESG frameworks, yet widespread under-reporting of workplace injuries and illnesses continues to impair risk profiling and weaken institutional trust in Malta.

**Beyond workplace basics, social excellence encompasses employee engagement and development.**

In Malta's competitive labour market, where businesses compete internationally for skilled talent, employee engagement becomes a strategic imperative rather than a "nice-to-have." When employees feel disconnected from their organisations, productivity suffers, turnover increases, and the innovation that drives competitive advantage doesn't happen. Research consistently demonstrates that employees who feel valued, supported, and engaged deliver superior performance while remaining with organisations longer.

Diversity, equity, and inclusion constitute another critical dimension where ethical imperatives align with business performance. Diverse teams consistently make better decisions and generate more innovative solutions, strategic assets for Malta's businesses serving international markets. However, many organisations struggle to move beyond compliance thinking to genuine inclusion that leverages diverse perspectives for competitive advantage.

Finally, social excellence extends beyond internal workforce dynamics to encompass community engagement and stakeholder relationships. In Malta's close-knit society, how businesses engage with communities has a lasting impact on reputation and operational effectiveness. This involves understanding how business operations affect local communities and actively working to create positive outcomes, not through occasional charitable donations but through sustained engagement and value creation.

**GOVERNANCE EXCELLENCE: TRUST AS COMPETITIVE ASSET**

Governance excellence involves establishing institutional frameworks that enable organisations to create long-term value for all stakeholders while upholding accountability, transparency, and ethical conduct. For businesses operating in Malta's interconnected economy, strong governance practices lay the foundation for sustainable growth and stakeholder trust.

Modern governance challenges require boards that can provide adequate oversight in rapidly evolving markets, while ensuring that long-term strategic considerations receive appropriate attention alongside short-term operational performance. This becomes particularly complex for Maltese businesses that must balance local knowledge and relationships with international expertise and perspectives.

**Board effectiveness starts with composition:** having the correct mix of skills, experience, and perspectives to provide genuine oversight and strategic guidance. Conference findings revealed that strategic ESG literacy emerged as the most critical board-level competence, significantly outpacing "tone from the top." This suggests that Malta's business community recognises that ESG requires a sophisticated strategic understanding rather than merely leadership endorsement.

Modern board composition must include diverse perspectives and expertise in cybersecurity, sustainability, and digital transformation, areas where many current board members lack deep knowledge despite their critical importance to future business success.



**Transparency and accountability mechanisms** represent another area where many organisations fall short of excellence. Establishing transparent processes for stakeholder communication, comprehensive reporting, and decision-making oversight is not just about compliance; it builds trust, reduces stakeholder uncertainty, and creates competitive advantage. For Malta's businesses, particularly those in regulated sectors or seeking international investment, transparency becomes a differentiator, enabling access to opportunities and capital.

Perhaps most critically, governance excellence requires aligning leadership incentives with long-term stakeholder value creation rather than optimising short-term performance. This involves designing compensation and performance management systems that incorporate social and governance performance metrics alongside traditional financial indicators, creating genuine accountability for comprehensive performance.

## THE BUSINESS CASE

Research and practice demonstrate that organisations with robust social and governance practices consistently outperform peers across multiple dimensions.

**Talent attraction and retention:** In competitive labour markets, employers known for strong social practices and ethical governance attract superior talent and experience lower turnover. This is particularly critical for Malta as we compete internationally for skilled professionals.

**Innovation and productivity:** Engaged employees in psychologically safe environments contribute more ideas, take appropriate risks, and collaborate more effectively. Organisations with inclusive cultures leverage diverse perspectives to generate superior solutions.

**Risk management:** Strong governance frameworks identify and mitigate risks before they escalate into crises. Organisations with robust social practices avoid reputational damage from labour disputes, safety incidents, or discrimination claims.

**Access to capital:** Financial institutions increasingly incorporate ESG factors into lending decisions and investment criteria. Organisations with substantial ESG performance access capital on more favourable terms, while those with weak performance face restrictions or higher costs.

**Market access and partnerships:** Large corporations increasingly require suppliers to demonstrate ESG compliance. Public procurement processes incorporate sustainability criteria. ESG excellence opens doors to opportunities that weak performers cannot access.

**Long-term financial performance:** Multiple studies demonstrate that organisations with high ESG ratings deliver superior financial returns over extended periods while exhibiting lower volatility. This reflects both direct benefits (efficiency, innovation, risk mitigation) and indirect advantages (reputation, stakeholder trust, regulatory relationships).

For Malta's business community, these advantages are amplified by our small, interconnected market where reputation travels quickly, and relationships matter enormously. ESG excellence in this context becomes not merely a competitive advantage but a strategic imperative for sustained success.





## Focus Group Report: July 9, 2025

*The focus group was held at Malta Employers' premises in Valletta and brought together over 25 senior professionals, all representing organisations with a direct role in shaping Malta's economic, social, and institutional landscape. The event formed part of MEA's broader ESG initiative in the lead-up to SME Week 2025 and followed the circulation of a background briefing document, a formal invitation outlining the objectives, and a set of stimulus questions aligned with both the SDG framework and Malta's Vision 2050.*

Dr Roberta Lepre opened the session by situating ESG within the broader context of corporate responsibility and sustainable development. She emphasised that ESG is not a trend or a buzzword, but a framework for doing business better. ESG, particularly the Social and Governance pillars, was presented as the lens through which resilience, innovation, and stakeholder trust could be built and sustained.

### DISCUSSION HIGHLIGHTS

Participants engaged in a rich, sometimes provocative dialogue, exploring the many tensions that underlie ESG implementation in practice. A key point of consensus was the need to reframe ESG as a strategic opportunity rather than a regulatory burden, particularly for Malta's SME-driven economy.


In terms of the social dimension, the group identified several systemic challenges that continue to hinder inclusive growth in Malta. Stakeholders referenced wage inequality, the exploitation of migrant workers, and limited access to quality care services as enduring issues that threaten cohesion and productivity. Importantly, it was acknowledged that while legislation exists to address many of these issues, enforcement remains uneven and inconsistent, leading to a lack of fair competition across the business community.

A substantial contribution was made by the Occupational Health and Safety Authority (OHSA), which emphasised the critical but often under-recognised role of occupational health and safety within ESG and the broader sustainable development agenda. OHSA highlighted the importance of aligning occupational health and safety with national and international strategic frameworks, including Malta's commitment to the Sustainable Development Goals (SDGs). Targets under SDGs 3 (Good Health and Well-being), 5 (Gender Equality), 8 (Decent Work and Economic Growth), 9 (Industry, Innovation and Infrastructure), and 16 (Peace, Justice and Strong Institutions) were referenced.

OHSA pointed out that the health and safety of workers intersect closely with several ESG principles and should be seen as a foundational element of the 'S' in ESG. It was noted that unsafe and unhealthy work conditions disproportionately affect vulnerable and marginalised groups and contribute to systemic inequality. At the same time, robust OHS systems can deliver tangible productivity gains, reduce absenteeism, and mitigate public health costs. The authority also underscored the importance of data in enabling effective interventions, highlighting the widespread under-reporting of workplace injuries and illnesses. This under-reporting impairs risk profiling, weakens institutional trust, and hinders effective resource allocation. OHSA called for improved regulatory coordination and investment in data infrastructure to address these gaps.







Several participants emphasised the need for a cultural shift—both within institutions and among employers. While ethical business practices are increasingly recognised as value-generating, the discourse around ESG remains mired in technical jargon and perceived as inaccessible to SMEs. Others argued that the values underpinning ESG—dignity, transparency, fairness—should be brought to the forefront, shifting attention from reporting obligations to the long-term benefits of sustainable business practices.

Data availability emerged as a significant stumbling block to effective ESG implementation. Representatives from the NSO and other public entities highlighted the lack of reliable, disaggregated data to inform policies on well-being, wage distribution, and community impact. OHSa reinforced this point, noting that under-reporting of occupational injuries and illnesses impedes evidence-based policymaking and frustrates risk analysis.

On the governance front, the group explored how regulatory frameworks can be better aligned with businesses' operational realities in Malta. The discussion highlighted the importance of board composition, risk management strategies, and internal accountability mechanisms, particularly amid growing expectations from investors and regulators. It was also noted that while larger enterprises may have the resources to navigate complex governance requirements, SMEs often struggle to keep pace, underscoring the need for differentiated yet equally rigorous frameworks.

Public procurement and access to finance were identified as powerful tools for driving ESG alignment. By embedding ESG criteria into grant schemes, tenders, and credit assessments, government and financial institutions can incentivise responsible practices without relying solely on punitive measures. At the same time, stakeholders warned against “greenwashing” or superficial compliance, stressing the importance of authentic leadership and stakeholder dialogue.

## **KEY THEMATIC INSIGHTS**

A recurring theme throughout the session was the importance of values-based leadership. Multiple contributors emphasised that ESG should not be seen as an external imposition, but as a reflection of internal purpose. Rather than outsourcing ESG compliance to consultants or legal teams, businesses should integrate it into their core decision-making and governance.

Another dominant thread was the need for simplification and accessibility. Many participants voiced concern that the complexity of current ESG frameworks discourages smaller organisations from engaging meaningfully. There was strong support for more user-friendly guidance, tailored capacity-building initiatives, and more transparent communication around the practical business benefits of ESG.

The banking sector representatives also contributed essential perspectives on how financial due diligence is increasingly incorporating ESG considerations. Screening for social risks, such as poor labour practices or gender inequality, is becoming standard practice in credit assessments. This shift has implications not only for businesses seeking finance but also for the broader ESG risk management ecosystem in Malta.

Finally, the discussion touched on the generational and educational dimensions of ESG adoption. Calls were made to model ESG values from the top and to embed sustainability thinking across all levels of professional development. This included proposals to expand lifelong learning opportunities, encourage employee-led well-being programmes, and foster a national conversation on ethical entrepreneurship.

## CONCLUSIONS

The focus group underscored both the urgency and the complexity of advancing ESG in Malta. It became evident that while there is growing awareness and momentum, significant challenges remain—from regulatory clarity and data systems to enforcement, culture change, and communication.

Nevertheless, there was a shared sense of commitment to moving from rhetoric to action. Participants called for more structured collaboration between employers, regulators, and civil society, and for Malta to position itself not as a follower but as a leader in responsible business practices. As we approach SME Week 2025, the MEA intends to build on this momentum by incorporating these insights into its conference programme, policy recommendations, and broader advocacy work.

## PARTICIPATING ORGANISATIONS

- Malta Employers'
- Foundation for Social Welfare Services
- Commission for the Rights of Persons with Disability
- National Skills Council
- JobsPlus
- Malta Enterprise
- Malta Business Registry
- OHSA (Occupational Health and Safety Authority)
- NSO (National Statistics Office)
- Cypher Systems
- CFino
- Beacon Healthcare
- Portugas Dry Cleaners
- Family Business Office
- MISCO
- Alt Enterprise Juice
- MTCA
- Various private sector employers (including from the hospitality, construction, logistics and financial sectors)





## Conference Programme & Participants

**MALTA EMPLOYERS**

**SME Week** Malta 2025  
EUROPEAN SME WEEK

*SME NATIONAL FORUM 2025*  
**EXCELLENCE THROUGH ESG**  
A PATH TO LONG-TERM BUSINESS SUCCESS

Thursday 6<sup>th</sup> November 2025  
The Link, AM Business Centre, Żejtun  
8.15am to 1.30pm

8.15am **Registration** and **Welcome Coffee**

8.45am **Introduction** by **Kevin Spiteri**  
**Theme Video:** Excellence through ESG

8.50am Interactive session with participants via two Mentimeter questions

9.00am **Welcome Speech** by the Malta Employers' President, **Ivan Refalo**

9.05am **Address** by the Malta Employers' Director General, **Kevin J. Borg**

9.10am **Message** from the President of Malta, **H.E. Dr Myriam Spiteri Debono**

9.15am **Message** from the Minister for the Economy, Enterprise and Strategic Projects, **Hon. Silvio Schembri**

9.20am **Message** from Shadow Minister, **Hon. Jerome Caruana Cilia**

9.25am Interactive session with participants via three Mentimeter questions

9.40am **Keynote** and **Presentation** by **Dr Roberta Lepre**

9.55am Interactive session with participants via three Mentimeter questions

10.10am **Networking Coffee Break**

10.35am Interactive session with participants via two Mentimeter questions

10.45am **Presentation** by MDB CEO, **Alison Micallef**

IN CONJUNCTION WITH

**GOVERNMENT OF MALTA**  
MINISTRY FOR THE ECONOMY,  
ENTERPRISE AND STRATEGIC PROJECTS

IN COLLABORATION WITH

**MDB**  
MALTA DEVELOPMENT BANK  
MALTA'S INVESTMENT PARTNER**MALTA ENTERPRISE**

**idena**

**identita**

**ERA**  
EUROPEAN RESEARCH AREA

**NATIONAL Skills COUNCIL**

**NSO**  
National Skills Office  
Office National de Qualifications

The “Excellence through ESG” conference took place on November 6, 2025, as the centrepiece of Malta Employers’ SME Week 2025 activities and the kick-off of the 60th anniversary celebrations. The event brought together over 150 participants representing Malta’s diverse business ecosystem.



**MALTA EMPLOYERS**



10.50am **PANEL DISCUSSION 1**

**Joseph Farrugia**, Advisor to the Malta Employers

**George Gregory**, CEO, Malta Enterprise

**Celia Falzon**, CEO, Jobsplus

**Claire Cordina Borg**, Deputy Director, ERA

**Josef Vella**, CEO, Voice of the Workers

**Matthew Swain**, Head of Sustainability, APS Bank

**Perit David Xuereb**, Chairperson, ESG Alliance

11.20am **Q&A Session**

11.35am **PANEL DISCUSSION 2**

**Silvio Attard**, Senior EU Officer, MDB

**Col. Edric Zahra**, CEO, Identita’

**Ruth DeBrincat**, Senior Director, Policy & Technical Affairs, NSC

**Josef Bugeja**, Secretary General, GWU

**Clinton Flores**, Head ESG Department, Risk Management Department, BOV

**Dianne Vella Muscat**, Director General, DIER

**Manuel Tabone**, Director Business, Sectoral & Regional Statistics Directorate, NSO

12.05pm **Q&A Session**

12.20pm **Round-up** followed by Malta Employers 60th Anniversary **Corporate Video**

12.25pm **Closing Speech** by The Speaker of the House of Representatives,

**Hon. Dr Anglu Farrugia**

12.45pm **Group Photo** and **Networking Lunch**

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## Participant Profile

The conference attracted over 120 participants representing:

- **Malta Employers member companies** across sectors, including financial services, manufacturing, hospitality, retail, construction, and professional services
- **Government agencies**, including Malta Enterprise, JobsPlus, National Statistics Office, and regulatory authorities
- **Financial institutions**, including commercial banks and Malta Development Bank
- **Worker organisations**, including trade unions and worker advocacy groups
- **Professional service providers**, including consultants, auditors, and legal advisors
- **Academic and research institutions** contributing expertise on ESG frameworks and implementation

This diverse composition ensured that discussions reflected multiple perspectives and generated insights applicable across Malta's business ecosystem.





## **WELCOME ADDRESS**

**IVAN REFALO** | PRESIDENT, MALTA EMPLOYERS

Distinguished guests, esteemed colleagues, partners, and friends!

It is an honour and a genuine privilege to welcome you to the “Excellence through ESG” conference, which this year is being held as part of our 60th Anniversary celebrations. Malta Employers is genuinely proud to have reached this historic milestone and delighted to be holding essential events such as today's.

These initiatives support Malta Employers in growing their influence and strengthening their role within Malta's socio-economic framework, becoming ever more relevant and respected. As always, we are committed to fostering constructive, transparent, and effective engagement among all social partners for the benefit of the economy, society and our country in general.


So today, we didn't just invite a few people; we've reached out to our members, our social partners, public sector leaders, and everyone who has a hand in shaping Malta's success.

Why? This initiative speaks of our shared commitment to Malta's progress, prosperity, and the continued improvement in the quality of life of our people. As our new brand identity shows, people are right at the core of what we do. Malta Employers has always been at the forefront, tackling the issues that define our country's future. Over the years, we have faced enormous challenges - changing demographics, the rapid pace of technology, and the constant need to help our workforce learn new skills. These aren't just abstract debates; they're the realities shaping our businesses and the livelihoods of families across Malta.

Now, we're seeing a profound new opportunity (and challenge!) come into sharp focus. Environmental, Social, and Governance, or ESG, isn't just a passing business trend. It's much bigger than that. It signals a profound, necessary transformation in how successful organisations operate, manage risk, generate value and interact with the world around us.

As Malta Employers, we firmly believe that ESG isn't about ticking boxes. It's about embedding core principles that ensure our organisations are resilient, future-proof and that people really trust us. Let me





share a vision for how this plays out. Imagine a Malta where every workplace fosters innovation, purpose and belonging, where companies are recognised not just for their profits, but for their positive impact on society and their steadfast commitment to good governance, where communities are uplifted by the presence of responsible businesses and where international investors regard Malta as a model of ethical and sustainable enterprise.

Why does this matter so much for Malta?

We're a country with a closely interconnected business community, and we sit in a unique position as a bridge between European and international markets. Our ability to lead in ESG isn't just an advantage; it is essential. We need to stand out not just as a place for investment, but as a place where people genuinely aspire to build their careers, raise their families, and contribute to a thriving society.

Malta Employers has been consistently underlining this: achieving excellence through ESG isn't about abstract ideals or compliance checklists. For us, it's all about a mindset, one that incorporates respect for the Environment, Society, and good Governance. This mindset then translates into fundamental business practices. ESG is about the small, day-to-day actions and decisions that determine whether our organisations succeed or merely survive in a highly competitive environment.

From our perspective as employers, responsible employers, I might add, ESG is fundamentally about social excellence. What does that mean in practice?

It means creating workplaces where employees are genuinely motivated to give their best, not just for a salary, but because they feel respected, valued, and able to make a difference.

It means ensuring our businesses are engines of positive change in the communities where we operate. Look at the labour market! This is a perfect example. Malta's labour market is more competitive than ever, as we compete internationally for the skills and talent that will drive our future success.

In this sense, employee engagement is not a 'nice-to-have'; it's a strategic necessity. When employees feel disconnected, we know what happens: motivation drops, productivity slumps, people leave, and the great ideas that give us our competitive edge get blocked! But when engagement flourishes, our organisations become more agile, creative, and ready to seize new opportunities.

This is precisely why Malta Employers is taking such a proactive role in encouraging ESG take-up. This conference isn't just about sharing knowledge; it's a call to action. By coming together, we can harness our collective experience and knowledge to turn ambition into achievement and ideas into action. Today, we should deepen our understanding, ask the hard questions, and learn from each other's challenges and successes.

Let's build new connections and reinforce existing partnerships so that our efforts grow and multiply and our impact is felt far beyond this conference.

I invite you to approach our discussions today with openness and resolve. Together, let's commit to a vision where ESG excellence is not just an aspiration, but a reality underpinning every employer in Malta, large and small, public and private. I wish you all an inspiring and productive conference. Let's set an example that others will follow and ensure Malta's standing as a leader in excellence through Environmental, Social, and Governance principles.



## OPENING KEYNOTE

**KEVIN J BORG** | DIRECTOR GENERAL, MALTA EMPLOYERS

Distinguished guests, esteemed colleagues, partners, and friends,


Welcome to our event today. Your presence in such numbers is most encouraging to us as we intend to reflect on our shared journey towards excellence.

In our mission to be at the forefront of change, to advocate for what is right, and to empower our members, we are once again hosting a significant event to shape policies in the national social dialogue landscape. From demographic shifts and evolving work practices to the rapid transformation of the skills needed in today's competitive environment, all our initiatives are aimed at presenting our research, consulting with members, experts, and stakeholders, and, from this dialogue, proposing concrete solutions. As we have done consistently in previous years, we also intend, as today, to leverage the outcome of this gathering to chart a bold course for the future of Malta's business community.

For this year's event, we chose to discuss ESG (Environmental, Social, and Governance) not because we think this is a trendy subject but because it is rapidly becoming the foundation of global business success.

In tackling this subject, we, of course, believe that all three pillars of ESG are essential, though we feel that the Environmental pillar tends to get much more of the limelight and occupies the global agenda. So, this morning, we are going to go a little bit against the grain and focus on the Social and Governance dimensions. This focus is also rooted in our strengths, as these are the areas where we have the most significant expertise, reach, and ability to enact real, immediate change. In so doing, we are certainly not doing any disservice to environmental sustainability because we must acknowledge that the E in ESG cannot thrive without the S and G.





Strong social foundations — meaning fair workplaces, skilled people, and inclusive employment — and robust governance structures — meaning accountability, transparency and ethical leadership — are what sustain every other form of progress.

They are the enablers of environmental action, not its competitors.

At Malta Employers, we work every day with businesses, policymakers, and workers to strengthen exactly these two areas. Through our initiatives, consultations, and training, we see firsthand how improvements in social and governance practices translate into excellence and higher value — both at the level of individual enterprises and at the national level.

## **THE SOCIAL PILLAR — PEOPLE AS OUR GREATEST RESOURCE**

Let's zoom briefly into the social dimension.

Malta's only real natural resource is its people. Our competitiveness, productivity, and innovation all depend on how we develop, empower and retain talent. In a world where talent competition is fierce, especially in our vibrant local labour market, employee engagement goes beyond ethical principles. Above all, engagement is a sound long-term economic strategy to enhance performance and drive quality. A socially responsible enterprise invests in its people through training, equality and work-life balance.

When employees feel valued, they deliver value. So, when businesses invest in their people, they create excellence in their organisations and, in the process, strengthen our economy.

That is why we are encouraging employers to embrace the social aspect of ESG not as an obligation, but as a route to their long-term success.

## **THE GOVERNANCE PILLAR — TRUST AS A COMPETITIVE ASSET**

The second area of focus is Governance — the way organisations are led, decisions are made, and accountability is ensured.

I would argue that Governance IS the starting point for a company's ESG approach.

The G in ESG reflects the organisation's Values. So, if a company's values include a high regard for environmental matters or social justice, this will be reflected in the "Tone from the Top" through high standards for corporate governance and a guide for employees in their choices and actions. So proper Governance instils a culture that drives everyone to act with integrity, manage risk proactively, and place value creation for all stakeholders—employees, shareholders, clients, and communities—at the heart of the company's mission.

In Malta's case, strong governance has a national dimension. Our reputation as a jurisdiction for business, investment and even tourism depends on integrity and transparency at every level.

Good governance creates stability, and stability attracts investment and continued investment. It gives confidence to our workforce, our partners and our international stakeholders.

That is why Malta Employers perceives the Governance pillar as an area of national importance.

## **ESG AS A PATHWAY TO EXCELLENCE AND HIGHER VALUE**

Our underlying message today is that ESG adoption is not about compliance. It is a pathway to excellence.

At the micro level, ESG builds stronger, more resilient companies — enterprises that are efficient, innovative and trusted.

At the macro level, it strengthens Malta's brand as a forward-looking, responsible economy — a place where quality, fairness and ethics underpin competitiveness. It is an enabler of the country's journey towards Envision 2050, which calls for a transformation grounded in resilience, innovation, and human capital, to align future growth with the physical and demographic realities of our island. Through ESG, we can move beyond low-value growth models and focus on quality-driven, knowledge-based and sustainable economic activity, as Malta Employers has long been proposing.

## **OUR COMMITMENT AS AN ASSOCIATION**

Our efforts and commitment at Malta Employers are built on evidence. In preparation for today's event, during the summer months, we convened a comprehensive focus group session with more than 25 experts and professionals from Malta's public and private sectors. The insights gained were profound. Organisations that excel in social and governance practices outperform their peers financially. They attract and retain top talent. Most importantly, they build the kind of stakeholder trust that generates sustainable competitive advantages.

In the future, we are proud to act as a promoter of quality and excellence, and by promoting ESG, we aim to help employers understand that doing the right thing and doing well are not mutually exclusive. They, in fact, reinforce each other.

We are committed to helping our members with the knowledge, tools and dialogue they need to integrate ESG principles into their operations — especially SMEs, which are the backbone of our economy.

We believe that improvements in social and governance practices can be implemented relatively quickly and effectively, within single enterprises and across our employer network. These improvements generate real, measurable results that benefit everyone — businesses, workers and the country.







## CONCLUSION

ESG is about excellence — the excellence of how we treat people, how we govern ourselves and how we build our future.

If Malta is to remain competitive, resilient, and respected, we must embed these principles in the way we think, manage, and lead.

Malta Employers pledges its support towards making it all happen — by focusing on what we do best: fostering responsible leadership, promoting social progress and driving governance standards that elevate quality and value at every level of our economy.

Together, we can make ESG not just a framework, but a hallmark of Malta's economic identity — one defined by excellence, integrity and sustainability.





## **PRESIDENTIAL ADDRESS**

**HER EXCELLENCY, MYRIAM SPITERI DEBONO** | THE PRESIDENT OF MALTA

I thank you for your invitation to address the Small and Medium Enterprise Forum 2025, organised by Malta Employers, with the theme of Excellence through ESG -- A Path to Long-Term Business Success.

This theme provides us with a roadmap to achieve the answers that ensure that economic growth is not short-lived.


Malta's economic story in recent years has been nothing short of extraordinary. With GDP growth of six percent (6.0%) in 2024, our nation stands as a testament to what vision, determination, and collaborative effort can achieve.

Malta's 2050 Vision initiative aims to transform our economy from the current twenty point six billion (€20.6 billion) to a projected thirty eight billion (€38 billion) by 2035, targeting five percent (5%) average annual growth.

As we pursue these ambitious goals, we must ask ourselves: how do we ensure this growth is not merely impressive on paper, but sustainable for generations to come?

The European Commission's Strategic Foresight Report for 2023 clearly highlights the urgent need for all businesses to adopt a sustainable economic transition, one capable to handle global geopolitical shifts, funding challenges, and rising sustainability demands.





Increasingly, Small, Medium Enterprises and businesses are called to demonstrate resilience and relevance in a rapidly evolving business landscape. ESG is therefore not just a framework, but a *modus operandi* that guides businesses toward sustainable growth, ethical leadership and meaningful impact on society and on the economy.

In Malta, Small and Medium Enterprises (SMEs) are an important pillar for our economy, representing over seven thousand (7,000) businesses across more than ninety (90) sectors.

While the vast majority employ less than two hundred and fifty (250) employees, and therefore, are not currently subject to the ESG obligations that apply to larger, multinational companies, SMEs should embrace Environmental, Social, and Governance (ESG) initiatives to foster a more sustainable future.

In the pursuit of sustainability, SMEs can undertake various environmentally friendly measures to improve their approach towards the environment. This can be achieved through mechanisms that reduce Carbon Dioxide Emissions by utilising renewable energy, which will in turn lead to decreased energy and water consumption. These decisions will impact the company's daily operations and are more sustainable in the long run.

SMEs are more often than not, family-owned. This means that SMEs are often deeply embedded in the local social fabric and have a duty to the continued investment in their employee's wellbeing by promoting rights, inclusion, and supporting them and their families throughout.

Sustainable practices in favour of a more transparent structure of governance will allow SMEs to expand their competitiveness, as they provide access to new customers and markets.

Initiatives, both at a government level but also on an NGO level, such as today's SME Forum, are giving access to SMEs to explore new tools that can aid their achievement of these aims.

The economic and investment community in Malta plays a crucial role in ensuring that Malta achieves high standards and objectives when it comes to sustainability, now more than ever.

If most of the locally based entities focus on enhancing their ESG requirements, we can ensure that future projects will be conducted in such a way that they have a positive impact on the environment, whilst they are in sync with the social dynamics and ensure a good governance framework.

I thank Malta Employers for organising this event and for giving SMEs the space and tools to thrive and expand, not just economically, but also socially and environmentally.

Thank you.



## MINISTERIAL MESSAGE

**HON. SILVIO SCHEMBRI** | MINISTER FOR THE ECONOMY,  
EUROPEAN FUNDS AND LANDS

Malta's economic success has always been built on the courage, determination, and creativity of our people. Behind every thriving country and every growing sector that puts our country on the map are your work, entrepreneurs, and small businesses who dare to dream bigger.


As a government, we have taken bold decisions to support our businesses. We launched ambitious reforms, schemes, and investments. And today, we are starting to see the results.

Through the Business Development Scheme, which is currently active, we are backing enterprises that are expanding, transforming, and creating specialised jobs. By extending the Get Qualified scheme and Higher Educational Qualifications, we continued to help workers pursue higher qualifications, enabling businesses to find the high-level talent they need to grow and compete.

We also ensure that start-ups are supported through initiatives like B-Start for initial capital, Start-up Finance for repayable loans, and Accelerate to help businesses in their early years gain momentum. This helps new ideas turn into real companies.

We are also seeing value added emerge from sectors where Malta holds a clear competitive advantage. Just last July, Malta Government Venture Capital made its first investments in promising start-ups in health technology, gaming, and financial software - sectors that align with our national priorities and tap into global opportunities.





This drive for competitiveness is also reflected in the work of Malta Enterprise, through a series of schemes with direct impact on productivity and sustainability. Smart & Sustainable Investment Grant helps reduce waste and boost energy and water efficiency, Green Mobility to shift towards cleaner transport, and Skills Development to upskill our workforce.

And because innovation moves fast, we invested heavily in digital competitiveness. The Technology Assessment Recognition Framework (TARF), the Seed Fund Award, and the Start-up Launchpad are ensuring that Maltese ideas reach the market faster.

We're also making sure businesses have the guidance they need to keep pace, through dedicated information sessions that provide practical support on how to navigate the EU's AI Act, the Data Act, and the Data Governance Act. These sessions empower SMEs to understand their regulatory obligations, reduce non-compliance risks, and build trust with clients and investors.

But innovation needs the right foundations. Strengthening our digital and research infrastructure is crucial. That's why we launched DiHubMT and will launch the High-Performance Computer later this month. For the first time, SMEs and start-ups will get free access to AI, HPC, and cloud tools that were once out of reach, requiring costly trips abroad.

We're also supporting family businesses. Through the Family Business Grant, we're providing them modern tools for succession, while the Patent Box Deduction encourages companies to invest in intellectual property and research here in Malta.

And to support this growth on the ground, we are investing in space and infrastructure. INDIS has already identified the site for a new SME centre in Hal Far, and work is moving forward. At KBIC and the Life Sciences Park, we are creating modern spaces for companies in the health, pharmaceutical, light industry, and marine biotechnology sectors. In addition, we have launched the €15 million scheme - Support for the Acquisition and Rental of Industrial Space, a concrete measure to help small businesses and the self-employed rent or purchase industrial space, giving them the room they need to grow.

Thanks to measures like these, Malta continues to experience strong economic growth. But now is the moment to look forward and shape the next chapter of our country's journey through a clear, ambitious vision. That is Malta's Vision 2050: to ensure that our country remains competitive, creates quality jobs, and builds an economy ready to meet the challenges and opportunities of the future.

A vision to be built through the hard work and the talent of our people. As you gather here today, take the time to connect, share ideas, and think boldly about the road ahead.

As a government, we will continue removing barriers, opening new opportunities, and ensuring you have the tools and support to make it happen.

Thank you.




## **SHADOW MINISTER'S ADDRESS**

**HON. JEROME CARUANA CILIA** | SHADOW MINISTER FOR THE ECONOMY & ENTERPRISE

It is an honour to be here today, and I want to thank the MEA for placing today's spotlight on ESG and businesses. As Shadow Minister for the Economy, I thank you again for putting up this high-profile conference as part of the SME week and I appreciate this opportunity to share some reflections on a topic that is becoming central not just to business strategy, but to the competitiveness and future prosperity of our nation: ESG, and the role it can play in transforming businesses and economies.

This discussion comes at a particularly fitting moment in the national discourse. In the run-up to the Budget, we once again saw a wide range of proposals from various organisations, including the Malta Employers – and I thank you for that. Yet, whereas in previous years such proposals tended to centre on themes like productivity, tax reductions, and fiscal incentives, this time we have observed a notable shift.

The focus has moved beyond the immediate bottom line, towards what truly matters: improving people's quality of life. In this regard, and I say this not simply because I am here, the Malta Employers, and in particular its long-serving former Director General, Joe Farrugia, deserve recognition for being among the first non-partisan voices to call, a few years ago now, for government to look beyond figures and GDP, and to give equal importance to well-being and social progress.



While national and international pressures towards this ambitious objective have increased, the path is obviously a very challenging one. Europe has made significant strides, with this shift being reflected in the Corporate Sustainability Reporting Directive, the CSRD, which represents a significant change in how companies must report on sustainability matters. The directive requires businesses to consider not only environmental impacts, but also social and governance dimensions, emphasizing the concept that companies must assess how sustainability issues affect their business, and how their operations impact society and the environment.

While the implementation timetable and scope are still evolving, and doubts remain about the practicalities for some companies, the direction is clear. Transparency, accountability, and strategic integration of ESG considerations are rapidly becoming non-negotiable for businesses that aim to compete internationally.

While much of the conversation around ESG focuses on environmental issues, I want to emphasise the transformative potential of the Social and Governance dimensions. This applies for businesses, but also for our wider economy. Social responsibility encompasses fair and inclusive employment practices, diversity, employee wellbeing, skills development, and positive community engagement. Companies that embed these principles into their strategy see tangible benefits: improved employee engagement, stronger loyalty, enhanced reputation and increased resilience in times of disruption. For the wider economy, widespread adoption of strong social practices strengthens the workforce, reduces inequality, and supports stability, creating the conditions for sustained growth.

Equally, strong governance is foundational to both business and economic transformation. Governance touches every aspect of how a company is led and controlled, from board composition and transparency to risk management, ethics, and accountability. Companies with strong governance enjoy enhanced credibility with investors, regulators and clients. They are better equipped to anticipate and manage risks and to respond effectively to crises. For an economy, good governance across the corporate sector strengthens institutions, reinforces investor confidence, and builds trust in the business environment. Indeed, this is also beneficial in terms of HR. I do not need to dwell on how big the HR problem has become; surveys regularly show that identifying talent and retaining it has become a major issue. While it is not the ultimate answer, and a number of factors are beyond your control, having strong social and governance values goes a long way in addressing this issue.

Companies with strong ESG credentials tend to report higher employee satisfaction and lower turnover, making the social and governance dimensions critical not only for external reputation but for building a committed, stable workforce. In practice, when an organisation clearly demonstrates a culture of fairness, inclusion, ethical governance and community-engagement, it sends a powerful message: this is a place where people matter, their values align with theirs, and their future is supported. That alignment boosts engagement, loyalty and productivity and in a competitive labour market like Malta's, where skilled talent is scarce and retention is a challenge, social and governance strength become real strategic advantages.

Similarly, governance is critical to a company's long-term success because it shapes how decisions are made, risks are managed, and leadership transitions occur.

Strong governance ensures that boards are diverse, accountable, and aligned with the company's strategic objectives, helping to balance the interests of shareholders, employees and other stakeholders. Effective governance structures support succession planning, ensuring that leadership transitions, whether at the executive or board level, are smooth, transparent, and maintain continuity, which is essential for stability and investor confidence. Companies with robust governance are also better at managing compliance, mitigating risks such as fraud or reputational damage, and making informed strategic decisions, all of which enhance resilience, credibility, and long-term competitiveness.

By adopting these principles, companies demonstrate responsibility, fairness and transparency, reinforcing their competitiveness internationally and enhancing trust at home.

The same applies on a macro level, and here again, for Malta, embracing ESG is not optional. Our economy is open, services-driven, and highly integrated with global markets.

The Nationalist Party's vision for Malta is of a nation that is recognised for the quality of its economy, not only in terms of output, but in terms of social inclusion, good governance, and trust.

Our vision for Malta is one of a nation recognised not merely for the size of its economic output, but for the quality of its growth, the inclusion of its people, and the strength of its governance and institutions. We believe that an economy cannot be judged solely by how large it is, but by how fairly it works, how broadly it benefits citizens, and how well it adapts to change. For how can one speak about a thriving economy, when an increasing number of people are struggling to make ends meet? How can you say it's a successful economy when close to 100,000 people on this small island are below the risk of poverty line? When soup kitchens are flooded with daily requests?

This is why we must embed into our economic strategy the idea that success includes decent work, social equity, sustainable enterprise and governance that commands trust.

This means designing policy and encouraging business models that aim for more than just expanding production: they must help close income and opportunity gaps, foster innovation rooted in sustainability, and uplift standards of governance so that Malta is a place where people want to build careers, businesses and lives.

This is why we need to really look at our economy from an ESG perspective. There we can truly be ambitious and work towards a healthier society. Employer organisations have a central role in this transformation.

By championing ESG principles — particularly the social and governance dimensions — you set the standards for your sectors, inspire confidence among investors and consumers, and shape a culture of responsible business that benefits the entire economy.

In closing, ESG is not a regulatory burden or a trend to follow passively. It is a pathway to resilience, competitiveness, and shared prosperity. By embedding these principles, Malta can become a global model of a quality economy, where growth is measured not only in financial terms, but in the social and ethical standards that define our nation.













## **PRESENTATION**


**DR ROBERTA LEPRE** | CONSULTANT

Dr Roberta Lepre delivered a comprehensive presentation establishing the foundational framework for understanding ESG excellence in Malta's context. Her presentation opened by redefining what excellence means in today's economy, emphasising that it is no longer solely about profitability but rather about inclusive, sustainable, long-term value creation. For employers specifically, excellence means fostering dignified work, trust, fairness, and resilience while ensuring organisations are future-ready rather than merely profitable.

The presentation clarified that ESG is not about compliance or ticking boxes. Instead, it provides a framework for building responsible, resilient, high-performing organisations. Dr Lepre emphasised that while all three pillars are essential, the Social and Governance dimensions are especially relevant to Malta's SME-driven economy, making them the strategic focus areas where Malta can make the most immediate impact.

A crucial element of Dr Lepre's presentation was connecting ESG to Malta's Vision 2050, which calls for a sustainable, just, and resilient nation. She noted that while this vision is admirable, the role of employers in achieving it has been under-emphasised. ESG provides the mechanism through which the private sector can deliver on these national goals through inclusion, integrity, and innovation, making employers central rather than peripheral to Malta's future success.





Drawing on extensive consultations with Malta's business community, Dr Lepre reported that while there is widespread awareness of ESG's importance, significant implementation challenges persist. Employers identified gaps in enforcement, ongoing wage inequality, and limited tools specifically designed for SMEs. Notably, Occupational Health and Safety emerged as a critical focus area, viewed not just as a regulatory requirement but also as a productivity driver and social equaliser, with disproportionate impacts on vulnerable groups when neglected. The consensus was clear: ESG must become clearer, more coordinated, and require courage to implement effectively.

The presentation made a compelling business case for ESG, demonstrating that it drives tangible performance improvements. Organisations with strong ESG practices experience enhanced talent attraction and retention, stronger brand trust, and increased innovation capacity. Access to finance and public procurement opportunities are increasingly tied to ESG performance, making it a gateway rather than a barrier. Dr Lepre cited the Edelman Trust Barometer, which shows that people trust values-led businesses more than traditional corporations, reinforcing that ESG is not a distraction from core business objectives but rather a strategic enabler of long-term success.

However, Dr Lepre was candid about the challenges that must be overcome. Many businesses perceive ESG as too complex or costly, notably smaller enterprises without dedicated sustainability teams. There is a significant lack of ESG data and clarity in reporting, making it difficult for organisations to know where they stand or how to improve. The need for more accessible, SME-friendly tools is urgent, as is addressing the cultural resistance to change that exists in some quarters of Malta's business community. The presentation concluded with a call to action, highlighting that Malta Employers is leading the transition from rhetoric to action through SME Week 2025 workshops. These sessions are designed to be practical and participatory, covering essential topics such as reporting, safety, inclusion, and good governance. The goal is to make ESG real, local, and business-relevant rather than keeping it abstract or academic.

Dr Lepre's final message emphasised that excellence equals doing better for people, society, and the future. ESG enables innovation by fundamentally rethinking operations, strategy, and impact. Malta must choose to lead rather than follow, making ESG a core business advantage that defines the nation's economic identity. Her vision, encapsulated in the phrase *"Create a world where all business is used as a force for good,"* challenges Malta's business community to embrace ESG not as an obligation but as an opportunity to build a better future for all stakeholders.





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## **MAIN SPONSORS' ADDRESS**

**ALISON MICALLEF** | CEO, MALTA DEVELOPMENT BANK

### **FINANCING MALTA'S GREEN TRANSITION**

The Malta Development Bank stands apart from most financial institutions in one fundamental way: sustainability is not an afterthought or a corporate social responsibility initiative. Rather, it is the very foundation of our existence. We were designed with a clear statutory mandate to support the green and sustainable transformation of the Maltese economy.

This orientation shapes everything we do: how we deploy our resources, how we partner with European institutions, and how we design and deliver our financial products. For us, sustainability is woven into our strategy, our operating framework, and our purpose under the Malta Development Bank Act.

### **ENSURING CREDIBILITY IN GREEN FINANCING**

Our commitment to genuine sustainability means we place the responsibility on businesses and project sponsors to demonstrate that their initiatives are truly green and sustainable. This is not merely an internal policy preference; it is a matter of compliance with the environmental and climate objectives embedded in European guarantees and funding instruments.

Our role is to ensure that national resources are channelled only into projects that meet rigorous standards, thereby maximising impact and safeguarding the credibility of the financing we extend. In an era where greenwashing is a genuine concern, this vigilance is essential. We are proud to be the first institution in Malta to access the sustainability window of InvestEU through the European Investment Fund, acting as Malta's gateway to EU financial instruments. This means our products are backed not only by risk sharing EU instruments, but also by robust tools that ensure eligibility is transparent and aligned with the European Commission's definitions of sustainability.

## **MAKING GREEN FINANCE ACCESSIBLE**

The Bank's strategy, publicly available on our website, is closely aligned with Malta Vision 2050 and focuses on priority sectors with sustainability at the heart of our agenda. However, strategy means little without practical implementation, which is why we have launched concrete schemes to make sustainable financing more accessible.

A recent milestone has been the introduction of a major scheme offering an 80 percent uncapped guarantee for commercial banks on sustainable projects. This allows these banks to pass on substantial benefits to businesses: lower interest rates, reduced collateral requirements, longer repayment terms, and overall improved lending conditions. For larger loans up to €10 million, we co finance alongside commercial banks while also providing guarantees to further reduce their risk.

We are already collaborating with Malta's leading banks, namely Bank of Valletta, HSBC and APS Bank, who serve as our intermediary partners. We are also working to accredit additional commercial banks to broaden access and reach more businesses. Our objective is clear: financing should not be an obstacle to climate action investments.

We also recognise that not all projects fit neatly into standard products. For these, we work creatively with commercial banks to develop bespoke financing solutions. These may include syndicated lending on favourable terms, additional guarantees, or lending structures in which the Bank takes on the longer term portion of the loan, something commercial banks may be reluctant to provide. We have already implemented these approaches successfully in past projects and will continue to explore every avenue to address financing barriers for green investments.

## **MOBILISING PRIVATE CAPITAL FOR THE TRANSITION**

We must be realistic. The green transition cannot rest solely on government's shoulders. The investment gap is far too large. It requires mobilising private investment and channelling the financing available within our banking system towards sustainable projects.

To this end, we are collaborating with other entities to combine our expertise in structuring financial instruments with their funding capacity. Together, we are developing products that include a grant component, often in the form of an interest subsidy.

These subsidies are powerful tools. By covering borrowing costs during the early years, when returns may not yet be realised, they allow projects to become cash flow positive from day one. This transforms the risk profile for businesses, making sustainable investment not only viable but attractive. Although grants are useful, they are insufficient on their own to unlock the full potential of private sector investment. Strategically deployed blended instruments can crowd in much larger amounts of private capital.

## **A CATALYST FOR CHANGE**

The challenges facing Malta's green transition are immense, but so too are the opportunities. The Malta Development Bank is committed to being a catalyst for change, a partner to business, and a guarantor of credibility in the green transition.

By breaking down financial barriers, unlocking private investment, and ensuring that Malta can achieve its environmental and climate goals, we aim to make a real and lasting impact. Together with the business community, financial institutions and government entities, we can build a more sustainable economy and a better quality of life for generations to come.

The foundation has been laid. The tools are in place. Now is the time for action.





## Mentimeter Survey Results

*Live Mentimeter polling captured real-time perspectives from 150+ conference participants on ESG perceptions, strategies, and challenges.*

The findings indicate a clear consensus on the primary benefits, implementation strategies, and prevailing challenges associated with ESG integration.

The core perceived benefits of ESG are overwhelmingly identified as enhancing corporate sustainability and reputation. On a practical level, good ESG data is seen as most valuable for enabling better decision-making and building trust. In terms of human capital, ESG's top impacts are driving higher employee engagement and fostering a stronger employer brand.

To make ESG a central part of corporate identity rather than a "tick-box" exercise, integrating ESG into the core business strategy is considered the most effective approach, significantly outpacing other initiatives. This strategic imperative is mirrored at the leadership level, where strategic ESG literacy is regarded as the most critical board-level competence.

The most significant barriers to ESG integration are a lack of knowledge and the challenge of undefined standards and metrics. For micro, small, and medium-sized enterprises (SMEs), the path to adoption can be smoothed by practical support, primarily through grants and advisory services, easy-to-use tracking tools, and a defined step-by-step path.

Finally, the financial sector is poised to be a significant catalyst for ESG adoption. The relationship between banks and businesses is expected to change most significantly through the provision of more green finance and the growing requirement for ESG in business dealings.

1. THE PERCEIVED VALUE AND BENEFITS OF ESG

Survey data reveals that ESG benefits are seen as both foundational to the business and impactful across specific operational areas, particularly human capital and decision-making.

Primary Corporate Benefits

When asked to identify the primary benefit of ESG for their company, respondents generated a word cloud, with “sustainability” and “reputation” being the most prominent terms. This indicates that ESG is valued for its dual impact on long-term business viability and external perception.

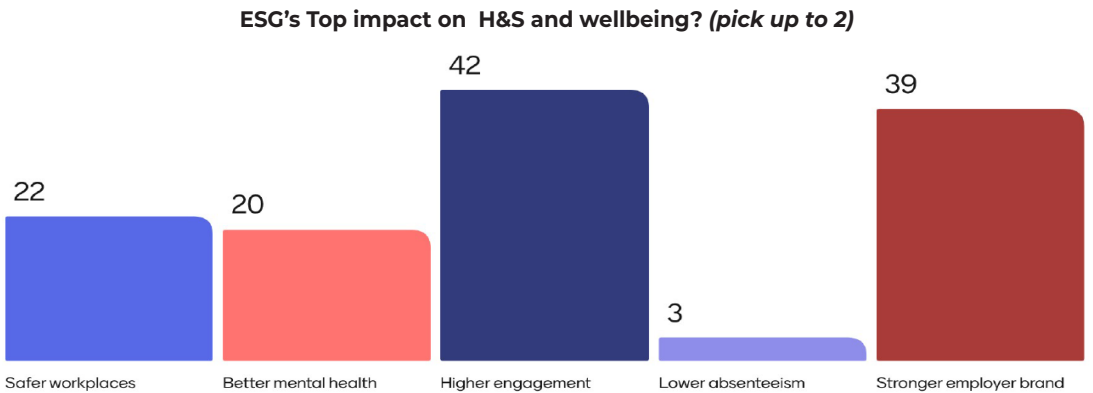
Other significant benefits and associated concepts cited include:

- Accountability
- Resilience
- Reliability
- Culture
- Awareness
- Transparency
- Competitive Advantage
- Good Governance

Impact on Health, Safety, and Well-being

ESG initiatives are perceived to have a profound effect on a company’s workforce. The most significant impacts are related to employee engagement and employer branding.

Impact Area	Votes Received
Higher engagement	42
Stronger employer brand	39
Safer workplaces	22
Better mental health	20
Lower absenteeism	3

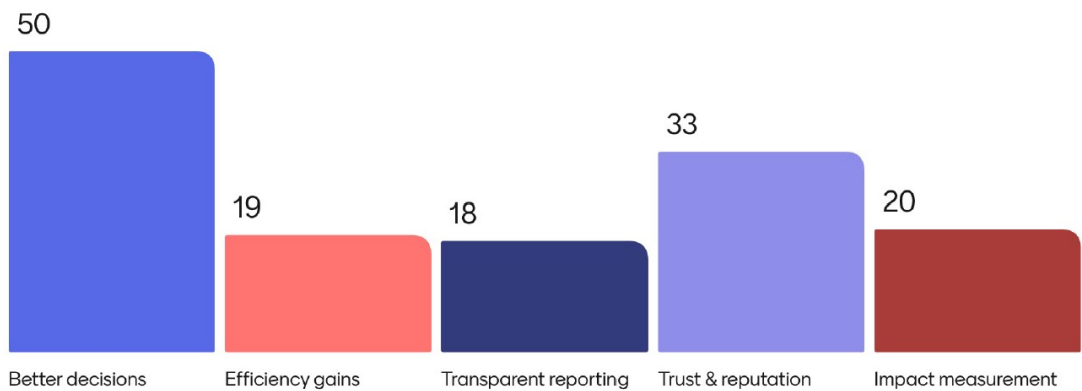


**The Utility of ESG Data**

High-quality ESG data is considered a critical tool for both internal strategy and external relations. Its primary value is seen in empowering leadership to make more informed choices.

How Good ESG Data Helps Most	Votes Received
Better decisions	50
Trust & reputation	33
Impact measurement	20
Efficiency gains	19
Transparent reporting	18

**Good ESG data helps you most with... (pick up to 2)**



2. STRATEGIES FOR EFFECTIVE ESG IMPLEMENTATION

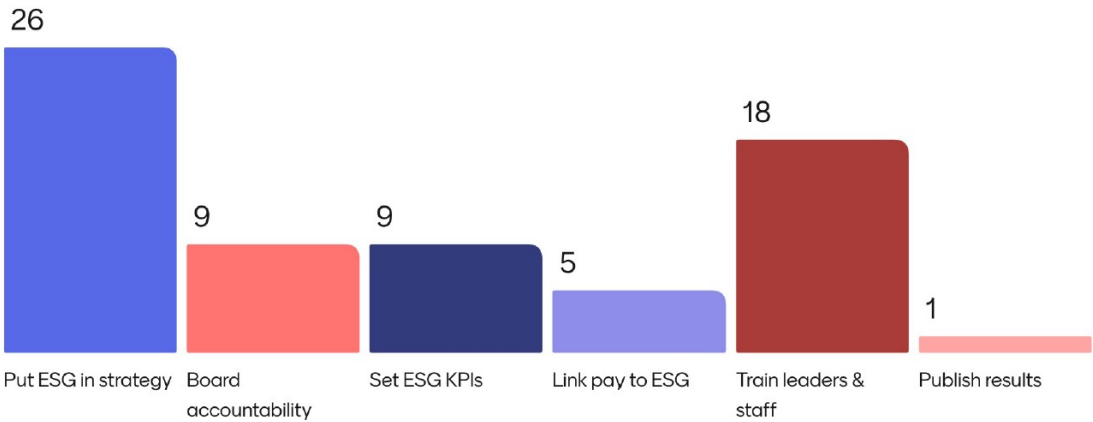
There is strong agreement that for ESG to be meaningful, it must be deeply embedded within the organisation’s strategy and championed by a competent board.

Centralising ESG: From “Tick-Box” to Strategy

Respondents overwhelmingly believe that integrating ESG into the core business strategy is the most effective way to make it a central function rather than a superficial compliance exercise.

Method to Make ESG “Central”	Votes Received
Put ESG in strategy	26
Train leaders & staff	18
Board accountability	9
Set ESG KPIs	9
Link pay to ESG	5
Publish results	1

The Most effective way to make ESG “Central,” not tick-box?



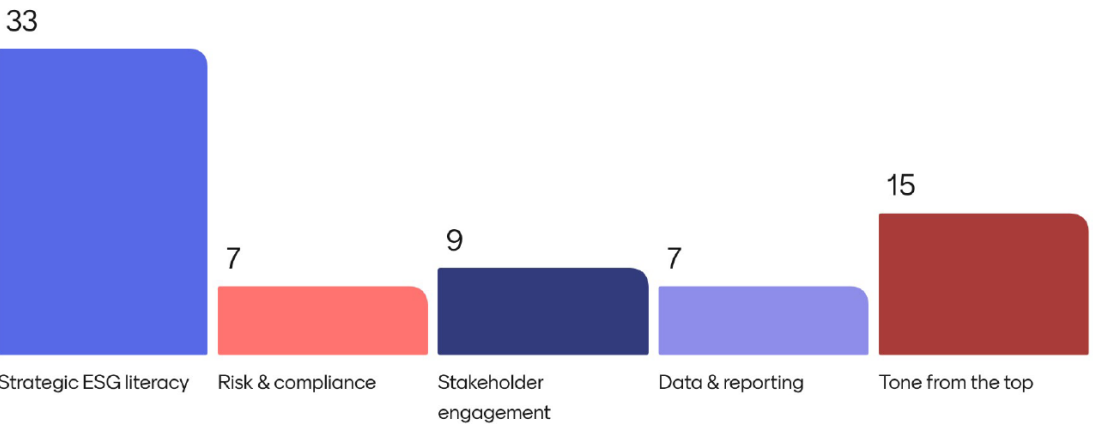


Critical Board-Level Competencies

Effective ESG implementation begins at the top. The most crucial competence for a board is not merely setting a positive tone, but possessing a deep, strategic understanding of ESG issues.

Most Critical Board-Level Competence	Votes Received
Strategic ESG literacy	33
Tone from the top	15
Stakeholder engagement	9
Risk & compliance	7
Data & reporting	7

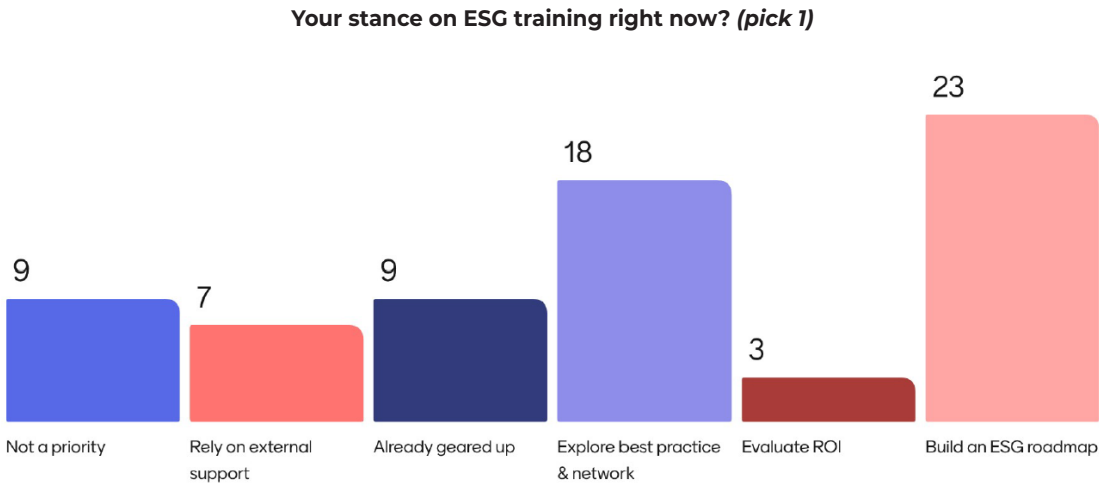
Most critical board-level ESG competence? (pick1)



Current Organisational Stance on ESG Training

The survey indicates that most organisations are in a proactive, forward-planning phase regarding ESG capabilities. A plurality of respondents is focused on creating a foundational plan, while another significant group is actively seeking out best practices.

Current Stance on ESG Training	Votes Received
Build an ESG roadmap	23
Explore best practice & network	18
Already geared up	9
Not a priority	9
Rely on external support	7
Evaluate ROI	3



### 3. BARRIERS AND ENABLERS FOR ESG ADOPTION

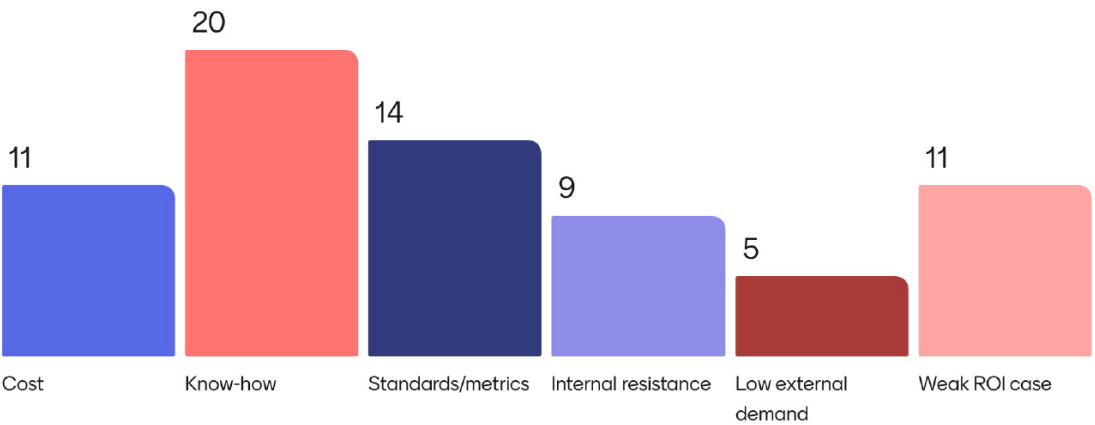
While the benefits are clear, organisations face significant hurdles to integration. The nature of these challenges varies, with a notable distinction in the needs of smaller enterprises.

#### Biggest Barriers to Integration

The primary obstacle to integrating ESG is a deficit of internal knowledge and expertise. This is followed by the difficulty of navigating inconsistent or complex standards and metrics.

Most Significant Barrier to Integrating ESG	Votes Received
Know-how	20
Standards/metrics	14
Cost	11
Weak ROI case	11
Internal resistance	9
Low external demand	5

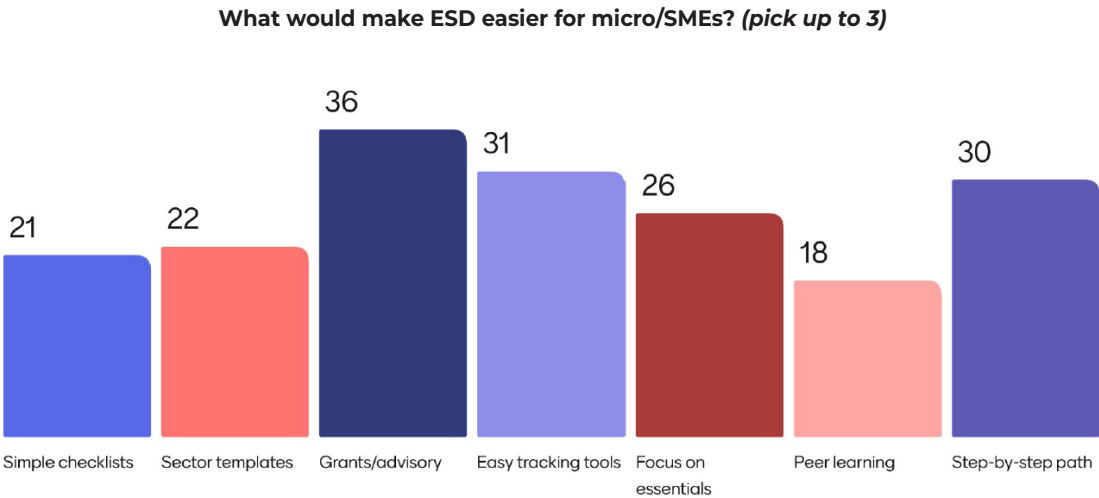
Biggest barrier to integrating ESG? (pick 1)



**Facilitating ESG for Micro/SMEs**

For smaller organisations, the path to ESG adoption requires tangible support and clear, simplified guidance. Financial assistance and practical tools are considered the most impactful enablers.

What Would Make ESG Easier for Micro/SMEs	Votes Received
Grants/advisory	36
Easy tracking tools	31
Step-by-step path	30
Focus on essentials	26
Sector templates	22
Simple checklists	21
Peer learning	18



**Levers for Nationwide ESG Advancement**

At the macro level, the most powerful drivers of nationwide ESG adoption are seen as foundational concepts that foster a collaborative environment. Commitment, trust, information, and resilience were the most cited levers. Other key terms included cooperation, awareness, education, vision, and incentives, underscoring the need for a unified public-private effort grounded in a shared understanding.



#### 4. THE INFLUENCE OF THE FINANCIAL SECTOR

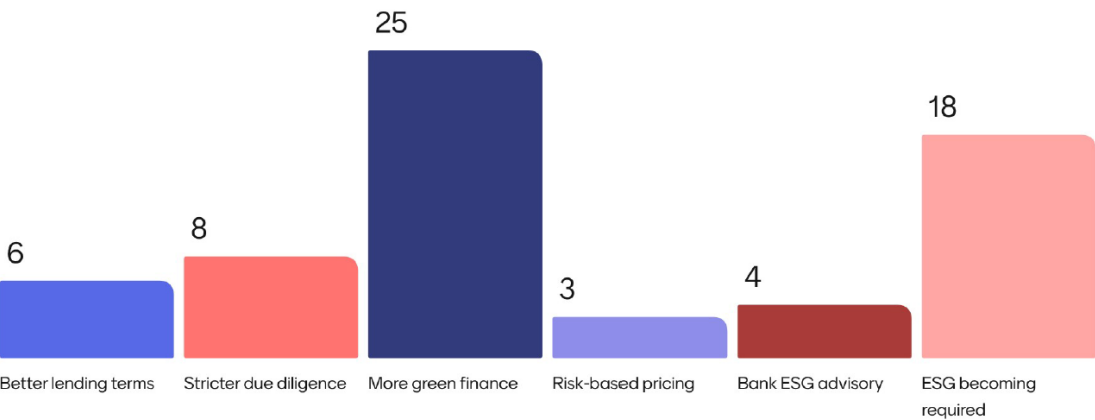
The financial industry is identified as a key driver in the widespread adoption of ESG principles, primarily through its control of capital and its ability to set requirements for business relationships.

##### How ESG Will Change Bank-Business Relations

The most significant change in the bank-business dynamic is expected to come from the increased availability of sustainability-linked financing and the formalisation of ESG criteria as a prerequisite for doing business.

How ESG Will Change Bank-Business Relations	Votes Received
More green finance	25
ESG becoming required	18
Stricter due diligence	8
Better lending terms	6
Bank ESG advisory	4
Risk-based pricing	3

ESG will change bank-business relations most via...



## CONCLUSIONS

The survey reveals that companies overwhelmingly view enhanced corporate sustainability and reputation as the primary benefits of adopting ESG practices.

Key highlights from the survey include:

- **STRATEGY OVER COMPLIANCE:** When asked how to make ESG central to corporate identity, integrating it into the core business strategy was the most effective method, significantly outpacing other initiatives like training or setting KPIs.
- **KNOWLEDGE AND STANDARDS GAP:** The most significant barriers to successful ESG integration are a lack of knowledge and know-how, followed closely by the challenge of undefined standards and metrics.
- **LEADERSHIP IS KEY:** At the leadership level, “strategic ESG literacy” was identified as the most critical competence for a board, valued more highly than simply setting a “tone from the top”.
- **DATA DRIVES DECISIONS:** Good ESG data is considered most valuable for enabling better decision-making and building trust and reputation.
- **SUPPORT FOR SMEs:** To help small and medium-sized enterprises (SMEs) adopt ESG, respondents identified the most critical needs as grants and advisory services, easy-to-use tracking tools, and a defined step-by-step path.
- **THE ROLE OF FINANCE:** The financial sector is expected to be a significant catalyst. Respondents believe bank-business relationships will change most significantly through the provision of more green finance and the growing requirement for ESG in business dealings.

The survey also highlighted ESG’s impact on human capital, with higher employee engagement and a stronger employer brand cited as the top benefits for the workforce.

The findings suggest that while businesses clearly understand the strategic importance of ESG, the primary hurdles have moved from why it should be done to how it can be practically and effectively implemented, measured, and reported.

2025

# **Excellence through ESG**

A PATH TO LONG-TERM BUSINESS SUCCESS

MALTA EMPLOYERS' SME WEEK 2025 INITIATIVE PROCEEDINGS  
**06 NOVEMBER 2025**









# Panel Discussion 1: Implementation Pathways

The first panel brought together leaders from policy, finance, skills, and labour sectors to explore practical ESG implementation.

## PANEL COMPOSITION

- **Kevin Spiteri** - Moderator
- **Joseph Farrugia** - Advisor to Malta Employers
- **George Gregory** - CEO, Malta Enterprise
- **Celia Falzon** - CEO, JobsPlus
- **Claire Cordina Borg** - Deputy Director, ERA
- **Josef Vella** - CEO, UHM Voice of the Workers
- **Matthew Swain** - Head of Sustainability, APS Bank
- **Perit David Xuereb** - Chairperson, ESG Alliance

## KEY DISCUSSION THEMES

### TURNING ESG FROM COST TO LEVER

**Joseph Farrugia** challenged the persistent perception that ESG represents merely an additional cost burden, articulating specific Malta-contextualised approaches through which employers can transform ESG from a compliance obligation into a genuine competitiveness tool. He emphasised that for SMEs, the path to ESG excellence must be incremental and pragmatic, building momentum through quick wins in areas such as employee engagement and operational efficiency, achievable within 6-12 months.

### VISION 2050 AND MALTA ENTERPRISE

**George Gregory** explained how Malta Enterprise is fundamentally reorienting its approach to align with Vision 2050's broader conception of success, moving decisively beyond traditional GDP-focused metrics to incorporate wellbeing, education quality, and sustainability. He outlined how the agency's grant programs increasingly embed ESG criteria, rewarding companies not just for job creation or revenue growth, but also for quality employment, skills development, environmental stewardship, and contributions to national strategic objectives.

### ESG SKILLS DEVELOPMENT

**Celia Falzon** identified priority ESG micro-credentials that Malta's workforce must acquire, including data-capture capabilities, health and safety culture competencies, and reporting capabilities that enable organisations to meet evolving disclosure requirements. She announced JobsPlus's commitment to embedding these competencies into national training pathways, ensuring that ESG-related skills development becomes mainstream rather than specialised, with programs tailored to Malta's SME ecosystem.

## ENVIRONMENTAL COMPLIANCE AS AN ADVANTAGE

**Claire Cordina Borg** addressed the persistent mindset barrier among SMEs that environmental compliance represents merely an additional cost rather than a strategic opportunity. She outlined ERA's evolving approach, focused on helping businesses understand how proactive environmental performance drives operational efficiencies, cost savings through resource optimisation, enhanced reputation, and improved access to finance from banks that are increasingly screening for environmental risk.

## WORKER PERSPECTIVE ON HEALTH, SAFETY AND WELL-BEING

**Josef Vella** provided the essential worker perspective, emphasising that for employees, ESG is not an abstract policy but a lived daily experience in workplace safety, fair treatment, and dignified conditions. He stressed that the most powerful employer actions are those co-designed with workers themselves, ensuring that health and safety improvements genuinely address frontline concerns without creating a bureaucratic burden that undermines rather than enhances workplace culture.

## BANKING SECTOR REQUIREMENTS

**Matthew Swain** outlined the evolving expectations from Malta's banking sector, explaining that by the end of 2026, banks will require minimum ESG evidence from clients as part of standard credit assessments and due diligence processes. He committed that APS Bank will provide proactive support to help SMEs meet these thresholds, including guidance on the evidence required, how to collect it, and how to present it effectively, ensuring that ESG requirements become enablers rather than barriers to accessing finance.

## ESG ALLIANCE PERSPECTIVE

**Perit David Xuereb**, representing the Malta ESG Alliance, emphasised the critical role of cross-sector collaboration in accelerating ESG adoption across Malta's economy. He outlined the Alliance's vision to champion national instruments that enable systematic rather than piecemeal progress, calling for shared ownership among government, business, and civil society, with transparent success metrics that hold all stakeholders accountable for tangible advancement toward ESG excellence.



















# MALTA EMPLOYERS

## OUR MISSION

We uphold the interests of responsible employers in fostering healthy employment relations and practices. We drive social dialogue and policy for a sustainable and dynamic economy.

## OUR VISION

To be the leading strategic partner for employers and policymakers, and a catalyst for innovative employment best practice.

## OUR VALUES

- Dynamic - agile, adaptable and forward looking leadership.
- Integrity - upholding and promoting good governance, correctness and ethical employment practices.
- Stakeholder Centric - organisations and the people within them are our core focus.
- Collaborative - building and nurturing healthy relationships, promoting members' and national interest.
- Objective - guided by an evidence based, consistent and balanced approach.
- Reliable - trustworthy, dependable and professional.

**maltaemployers.com**



# xcellence through ESG

PATH TO LONG-TERM BUSINESS SUCCESS



## Panel Discussion 2: Skills, Data & Coordination

The second panel explored ESG-driven skill needs, data infrastructure, and regulatory coordination challenges.

### PANEL COMPOSITION

- **Kevin Spiteri** - Moderator
- **Silvio Attard** - Senior EU Officer, MDB
- **Col. Edric Zahra** - CEO, Identità
- **Ruth DeBrincat** - Senior Director, Policy & Technical Affairs, NSC
- **Josef Bugeja** - Secretary General, GWU
- **Clinton Flores** - Head ESG, Risk Management Department, BOV
- **Dianne Vella Muscat** - Director General, DIER
- **Manuel Tabone** – Director, Business, Sectoral & Regional Statistics Directorate, NSO

### KEY DISCUSSION THEMES

#### EU FUNDING ACCESS

**Silvio Attard** detailed the EU and MDB funding streams available to Maltese firms in 2026-27, explaining eligibility requirements and documentation needed at the application stage to access climate finance, innovation support, and green transition funding. He outlined MDB's commitment to simplifying application processes specifically for first-time SME applicants, acknowledging that administrative complexity often prevents otherwise viable projects from accessing crucial EU resources that could accelerate their ESG journey.

#### DIGITAL IDENTITY AND ESG

**Col. Edric Zahra** explained how Malta's national digital identity infrastructure can reduce fraud and greenwashing by enabling trusted ESG attestations for both companies and individual workers. He proposed pilot initiatives that could launch within six months, demonstrating how digital verification systems can provide stakeholders with reliable assurance of ESG claims while reducing the administrative burden on businesses required to prove their sustainability credentials to different parties repeatedly.

#### FUTURE-READY SKILLS

**Ruth DeBrincat** discussed the National Skills Council's work, anticipating ESG-driven skill needs across Malta's economy, and explained how sectors from construction to finance are facing fundamental competency shifts as ESG becomes embedded in operations. She emphasised NSC's commitment to ensuring that Malta's workforce is prepared with future-ready skill sets that enable rather than constrain the ESG transition, working closely with employers to identify emerging requirements before skill gaps become critical bottlenecks.



## JOINT EMPLOYER-UNION INITIATIVES

**Josef Bugeja** identified practical collaborative initiatives between employers and unions that can measurably lift both well-being and productivity within 6-9 months, including safety climate assessments, targeted upskilling programs, and fair scheduling arrangements. He emphasised that the most effective approaches are those genuinely co-designed and co-owned, ensuring that worker voice shapes ESG implementation rather than treating employees as passive recipients of management-designed programs.

## ESG RISK IN CREDIT DECISIONS

**Clinton Flores** outlined which ESG risk factors will most significantly influence Bank of Valletta's credit decisions for Maltese businesses, including governance controls, environmental data quality, and supply chain exposure. He presented BOV's roadmap to standardise evidence requirements for SMEs by the end of 2026, committing to transparent communication about what banks need to see, how businesses can collect it, and what support BOV will provide through advisory services and client engagement to help companies meet evolving expectations.

## BALANCING ENFORCEMENT AND SUPPORT

**Diane Vella Muscat** addressed DIER's challenging mandate to balance enforcement of fair working practices with the growing demands of ESG frameworks, ensuring sustainable and ethical workplaces without overwhelming businesses with bureaucratic burden. She emphasised that effective regulation requires partnership approaches where enforcement targets bad actors while support mechanisms help genuinely committed employers navigate complexity, creating fair competitive conditions where responsible businesses gain an advantage rather than a penalty.

## DATA AND NATIONAL INDICATORS

**Manuel Tabone** discussed NSO's potential role regarding ESG ratings and the production of national ESG indicators that could serve as reference benchmarks for Malta's business community. He explained that reliable, disaggregated data infrastructure is essential for evidence-based ESG policymaking and performance assessment, acknowledging current gaps while outlining NSO's readiness to develop standardised indicators that enable meaningful comparison, track national progress, and help businesses understand where they stand relative to sector averages.















## **SPEAKER'S ADDRESS**


**HON. ANĠLU FARRUGIA** | SPEAKER OF THE HOUSE OF REPRESENTATIVES

Unfortunately, owing to the current situation, I am unable to be physically present with you today. However, I wished to ensure that my message still reaches you, and therefore, I am addressing you through this recorded message.

It is a great honour to be invited to address you today. This invitation carries profound significance because it recognises that governance, responsibility, and ethical leadership are shared principles that guide both Parliament and the private sector — the lifeblood of every successful organisation and the foundation of a strong and just nation.

As Speaker of the House of Representatives, I see this as a moment of shared purpose — where the values upheld within our institutions can continue to serve as a model and source of inspiration for all sectors of our nation. The strength of our democracy lies in the trust between its institutions, its enterprises, and its people — a trust we must constantly nurture and renew together.

Malta Employers has long been a driving force in guiding our business community through demographic shifts, technological advances, and the evolving world of work. Yet today's focus — Environmental, Social and Governance excellence — reaches beyond economics. It speaks to the kind of country we aspire to be, and to the moral and practical choices that define sustainable success.



ESG is not a passing trend. It is the new measure of long-term credibility and resilience. John Elkington, the British management thinker who first coined the term “triple bottom line” to describe the balance between profit, people, and the planet, reminded us that “the future of capitalism depends on our ability to balance prosperity with the planet and with people.” That balance must increasingly define Malta’s path forward — one that aligns competitiveness with conscience.

When we speak of excellence through ESG, we speak of values — of how decisions are made, how people are treated, and how organisations build trust. Malta Employers’ focus on the social and governance pillars is both wise and practical. These are areas where Malta can act decisively and make a measurable difference.

Social excellence means ensuring fairness, safety, inclusion, and dignity in the workplace — where every person, Maltese or foreign, feels valued and protected. Governance excellence means consistency, accountability, and transparency across institutions and enterprises alike. It is not bureaucracy; it is integrity in motion. The link between both dimensions is essential: strong governance enables social well-being, and social engagement strengthens governance. Together, they sustain progress.

Malta Employers’ recent consultations confirm this truth. Values-based leadership emerged as the cornerstone of successful ESG. When leaders act from conviction rather than compliance, their organisations thrive. They also reaffirmed that health and safety at work are not costs but investments in productivity and public trust. As the European Commission’s Strategic Framework on Health and Safety at Work 2021-2027 reminds us, “Healthy workplaces are a precondition for a healthy economy.”

Still, challenges persist — particularly for smaller enterprises. The European Union’s new Voluntary Sustainability Reporting Standard for SMEs, launched in December 2024, is an important step. It simplifies the path toward responsible practice without diluting standards. Yet participation in Malta’s ESG Portal remains limited. Awareness must translate into engagement. Embracing ESG values does not restrict business — it enhances competitiveness, attracts investment, and inspires loyalty.

Our country has shown resilience through many trials — from economic turbulence to digital transformation. But specific systemic challenges remain: wage inequality, under-reporting of workplace incidents, limited board diversity, and data gaps that hinder evidence-based policy. Data is not merely technical — it is ethical. Without reliable information, accountability weakens, and progress cannot be measured.

And here, as I speak in my capacity as Speaker of the House of Representatives, independent of the Executive branch of government, I see that Malta stands at a decisive turning point. Our size and interconnectedness are not limitations — they are strengths. They give us the ability to act swiftly, to lead by example, and to make responsible governance and social awareness defining features of our economic and democratic model. If we embrace this vision collectively — government, Parliament, business, and civil society — ESG can become one of Malta’s most significant strategic advantages.

Moving forward, let us reframe ESG as an opportunity, not an obligation. It is how modern economies safeguard credibility and competitiveness. Let us support SMEs with practical guidance and tools. Let us strengthen boards with diverse expertise — in finance, sustainability, and ethics. And let us ensure fairness in enforcement, so that those who uphold responsible standards are never disadvantaged.

The principle of ESG is, above all, a principle of leadership — of how we define success not only for our enterprises, but for our country. Let Malta be recognised not only for its enterprise, but for its ethics. Not only for its growth, but for its governance. If we achieve that, “Excellence through ESG” will not remain the theme of a conference — it will stand as a national benchmark for integrity and innovation.

Peter Drucker, the Austrian-born pioneer of modern management, once observed that “management is doing things right; leadership is doing the right things.” And Kofi Annan, the late United Nations Secretary-General and Nobel Peace Prize laureate, reminded us that “good governance is the single most important factor in promoting development.” Today, it is equally the foundation of sustainable business success.

And as I speak in my capacity as Speaker of the House of Representatives, independent of the Executive body of our country, I must also say that this event is of paramount importance. It represents foresight — a vision that ensures long-term success is built on values as well as performance. I trust that, following this critical conference, there will be an opportunity to reconvene — to review progress, to ensure that the challenges identified today are being addressed, and to verify that analysis is genuinely turning into action. A post-conference reflection of this nature would be essential if we are to move from analysis to action, and from aspiration to achievement.

**YOUR  
PURPOSE  
IS YOUR  
BIGGEST  
ASSET**



## Media Coverage

*The Excellence through ESG conference received substantial media attention, reflecting growing public interest in sustainable business practices and Malta's ESG journey.*

### **Press Release - Malta Employers Urge National Commitment to ESG as a Pillar of Competitiveness 6th November 2025**

Malta Employers has successfully engaged diverse stakeholders to support a common vision of ESG as a national priority for future competitiveness, fostering a forward-looking, sustainable, and innovative Maltese economy. This call came during the Association's SME National Forum, themed 'Excellence through ESG – a Path to Long-Term Business Success,' held as part of SME Week 2025.

Malta Employers President Ivan Refalo said that ESG represents a deep and necessary transformation in how successful organisations operate and interact with society. "ESG is about embedding core principles that make our organisations resilient, future-proof and trustworthy. Malta can distinguish itself not just as a place to invest, but as a country where people genuinely aspire to build their careers, raise their families, and contribute to a thriving society. That is the vision we must work towards."

Malta Employers Director General, Kevin J Borg added: "ESG is a pathway to excellence. It builds stronger, more resilient companies, enterprises that are efficient, innovative and trusted. ESG instils a culture that drives everyone to act with integrity, manage risk proactively and place value creation for all stakeholders—employees, shareholders, clients and communities".

Numerous stakeholders from the public and private sectors, including representatives of government entities, authorities and private firms took part in the Forum, which featured interactive sessions that facilitated open debate and the exchange of ideas on the subject. The discussions converged to a general recognition that when businesses – as well as the State – uphold social responsibility, good governance and environmental awareness, they generate trust, which is a fundamental requirement in the quest for economic resilience and sustainable growth.

The event was addressed by the President of Malta, H.E. Dr Myriam Spiteri Debono who argued that while Malta is targeting ambitious growth levels through its Vision 2050, the country must ensure that such growth is sustainable for generations to come. She added that ESG is not just a framework, but a *modus operandi* that guides businesses towards sustainable growth, ethical leadership and meaningful impact on society and the economy.

The Speaker of the House of Representatives, Hon. Anglu Farrugia said that Malta's path forward should be one that balances competitiveness with consciousness. ESG, he noted, is about creating value through the way decisions are made and how organisations build trust. He argued that social excellence, in this context, means ensuring fairness, safety and dignity in the workplace, where every person, Maltese and foreign — feels valued and protected.

The event was also addressed by the Minister for the Economy, Enterprise and Strategic Projects, Hon. Silvio Schembri, and the Shadow Minister for the Economy and Enterprise, Hon. Jerome Caruana Cilia. Whilst they presented their respective political perspectives, both emphasised the need for a stronger national commitment toward ESG principles. Their alignment on this issue signalled a shared understanding of the importance of ESG as a driver of sustainable growth and competitiveness, a convergence that augurs well for Malta's long-term development.

Malta Employers will consolidate the conference's insights and outcomes into a formal, research-based publication outlining the key recommendations and takeaways from this extensive discussion. The Association also intends to leverage these outcomes to make the appropriate policy proposals in the interest of the Malta's business community and the wider economy.



**MEDIA (PRE-EVENT)**

## Businesses must lead on ESG to stay competitive – Malta Employers

As part of SME Week 2025, Malta Employers is bringing together business leaders and policymakers to focus on practical ESG integration for Malta's economic resilience.

The Malta Employers Association has called for a practical, business-led approach to ESG (Environmental, Social and Governance) in Malta, highlighting the growing need to move beyond awareness and towards meaningful implementation, particularly in the areas of social responsibility and corporate governance.

This follows a wide-ranging consultation process led by the Association, including a focus group held earlier this year involving over 25 senior stakeholders from across the public and private sector. The findings underline that while ESG is now firmly on the national agenda, the gap between understanding and

implementation remains substantial, particularly for smaller firms.

"ESG is no longer a question of 'if' but 'how' and in Malta's case, 'how soon,'" said Kevin J. Borg, Director General of the Malta Employers' Association.

"Organisations that integrate strong social and governance principles into their operations are more resilient, more trusted and ultimately more competitive. The challenge now is to make these principles accessible and better known, particularly for responsible SMEs that want to do the right thing but often lack the tools or capacity to do so effectively."

The Malta Employers consultations identified several recurring

themes, namely the importance of values-based leadership, the central role of workplace health and safety, the need for stronger board governance, and the critical lack of reliable, disaggregated data to support evidence-based ESG practices.

These findings will serve as a discussion platform during the forthcoming conference, "Excellence through ESG – A Path to Long-Term Business Success," to be held on 6 November 2025 as part of the EU-wide SME Week.

The event will explore how ESG practices can evolve from perceived burdens into strategic assets, especially in areas



like access to finance, talent identification and retention as well as brand reputation.

Malta Employers aims to present a comprehensive report to the government following the conference, with recommendations rooted in both research and stakeholder input.

"Malta has a real opportunity to position itself not just as a leader in ESG-driven business excellence," Mr Borg added.

"This is what the Islands should be aspiring to – well beyond treating ESG as a mere compliance exercise. But this requires coordinated effort, honest dialogue and a shift in mindset, and an effective filtering-down of tone from the top and long-term value creation."

For more information or to register interest in the conference, visit <https://maltaemployers.com>.

*Print Article: The Corporate Times*  
26 October 2025

The screenshot shows the Times of Malta website interface. At the top is a navigation bar with the 'TIMES MALTA 50 YEARS' logo and various menu items like 'Latest', 'National', 'World', 'Opinion', 'Fact-check', 'X2', 'Sport', 'Motoring', 'Business', 'Community', and 'Entertainment'. The main headline reads 'Businesses must lead on ESG to stay competitive – Malta Employers Association'. Below the headline is a sub-headline: 'Association is bringing together business leaders and policymakers to focus on practical ESG integration'. There are tags for 'Business', 'Society', 'Environment', and 'Corporate Times'. The date '27 October 2025 | Times of Malta' and a '2 min read' indicator are shown. Social media sharing icons for Facebook, X, Messenger, WhatsApp, and LinkedIn are present. The article's featured image is a graphic with 'eco' and 'ESG' text, a globe, and icons for a wind turbine, a person, and a recycling symbol. The page is flanked by vertical banners for 'Gold' and 'Ker' products.

*Digital Article: The Times of Malta*  
27 October 2025



## MEDIA (POST-EVENT)



TV: NET News  
6 November 2025



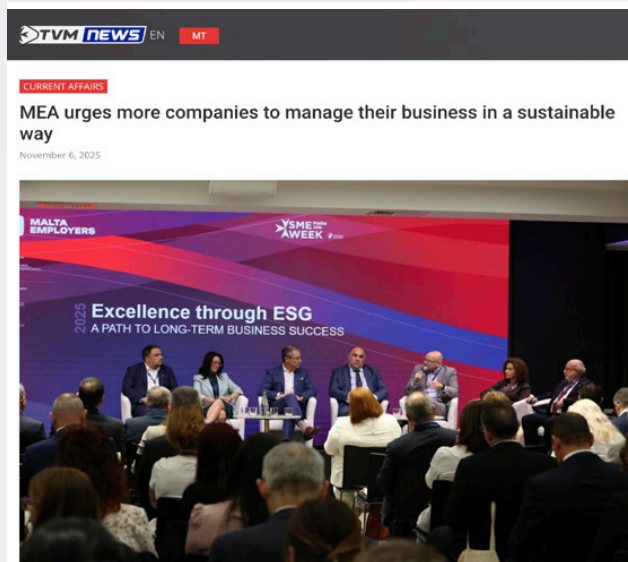
Digital Article: NET News  
6 November 2025







Digital Article: TVM News (Maltese)  
6 November 2025

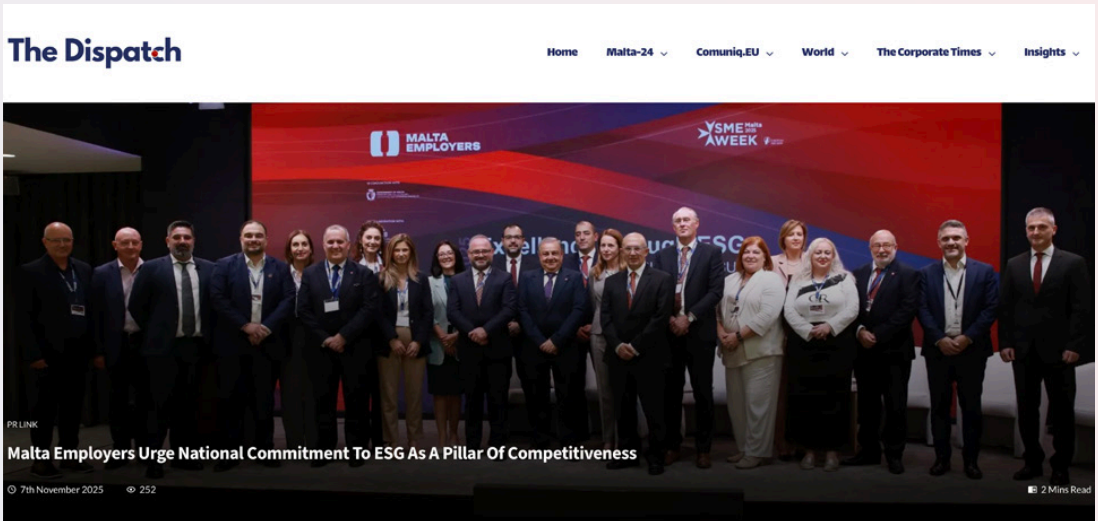


Digital Article: TVM News (English)  
6 November 2025





TV: TVM News Bulletin 8PM  
6 November 2025



Digital Article: CDE News  
7 November 2025



12 | Is-Sibt 8 ta' Novembru 2025

LOKALI TAGHRIF

**l-orizzont**

# Malta Employers tappella għal impenn nazzjonali biex l-ESG jkun pilastru tal-kompetittività



**L**-Malta Employers inkoraggja diversi rappreżentanti mis-settur pubbliku u privat biex jappoġġjaw vizjoni komuni tal-ESG bħala priorità nazzjonali, biex il-pajjiż jibqa' kompetittiv fil-futur, fi spirtu ta' ekonomija sostenibbli, innovattiva u li thares 'il quddiem. Dan l-appell sar waqt l-SME National Forum organizzat mill-Assoċjazzjoni, bħala parti mill-SME Week 2025. Il-President tal-Malta Employers Ivan Refalo qal li l-ESG jirrappreżenta bidla profonda u meħtieġa f'kif joperaw organizzazzjonijiet ta' suċċess u kif dawn jinteraġixxu mas-soċjeta'.

"L-ESG tifisser sett ta' prinċipji li jwasslu biex l-organizzazzjonijiet tagħna jkunu reżiljenti, affidabbli u lesti għall-futur. B'hekk Malta tkun tista' tidistingwi ruħha bħala post mhux biss fejn wiehied invest, iżda bħala pajjiż fejn in-nies jaspiraw li jibnu karriera, irabbu familja u jikkontribwixxu lis-soċjeta'. Din hi l-viżjoni li nridu naħdmu għaliha".

Id-Direttur Ġenerali tal-Malta Employers, Kevin J Borg zied: "L-ESG hija triq lejn l-eċċellenza. Din tibni kumpagniji iktar b'saħħithom u aktar reżiljenti, intrapriżi li huma effiċjenti, innovattivi u affidabbli. L-ESG tifexxura kultura li twassal lil kulhadd biex jagħxi b'integrità, biex jimanigġjaw ir-riskju b'mod proattiv u li tofri valur lill-impjegati, azzjonisti, klijenti u l-komunitajiet tal-madwar".

Numru ta' rappreżentanti mis-settur pubbliku u privat hadu sehem fil-Forum Nazzjonali u pparteċipaw f'sessjonijiet interattivi fejn qasmu l-ideat tagħhom dwar is-sugġett. Għalkemm kien bosta opinjonijiet, b'mod ġenerali d-diskussjonijiet urew qbil wiesa' li meta negozji – kif ukoll l-Istat – jirrispettaw ir-responsabbiltà soċjali u ambjentali u governanza tajba, huma johlqu ambjent ta' fiduċja, li huwa rekwiżit kruċjali fil-vjaġġ lejn reżiljenza

ekonomika u t-tkabbir sostenibbli.

Il-konferenza kienet indirizzata ukoll mill-President Myriam Spiteri Debono li qalet li filwaqt li Malta għandha miri ambizzjużi ta' tkabbir, il-pajjiż għandu jiżgura li dan it-tkabbir ikun sostenibbli għall-generazzjonijiet futuri. Hija ddeskriviet l-ESG bħala modus operandi li jiggwida lin-negozji lejn tkabbir sostenibbli, imxexxa etika u impatt li jhalli differenza fuq is-soċjeta' u l-ekonomija.

L-Ispiker tal-Kamra tar-Rappreżentanti, Anġlu Farrugia, qal li Malta għandha tfitex li ssib bilanċ bejn il-kompetittività u l-kuxjenza. Zied jgħid li l-ESG tirappreżenta l-holqien ta' valur fil-mod kif jittiehdu d-deċiżjonijiet u kif l-organizzazzjonijiet jibnu l-fiduċja. Huwa qal li l-eċċellenza soċjali, f'dan il-kuntest, tifisser l-assigurazzjoni tal-gustizzja, is-sigurtà u d-dinjità fuq il-post tax-xogħol, fejn kul persuna, Malta u barra-minha, tressha valorizzata u mħarsa.

Il-Forum kien indirizzat ukoll mill-Ministru għall-Ekonomija, l-Intrapriża u Proġetti Strateġiċi Silvio Schembri, u x-Shadow Minister għall-Ekonomija u l-Intrapriża Jerome Caruana Cilia. Filwaqt li huma preżentaw il-perspettivi politiki rispettivi, it-tnejn enfasizzaw il-bżonn ta' impenn nazzjonali b'saħħtu lejn il-prinċipji tal-ESG. Dan il-qbil fuq din it-tema jagħti indikazzjoni ta' ftehim dwar l-importanza tal-ESG bħala mutur tat-tkabbir sostenibbli u l-kompetittività, konverġenza li tawgura tajjeb għall-iżvilupp futur ta' pajjiżna.

Il-Malta Employers se tiġbor il-konkluzjonijiet u r-rakkomandazzjonijiet li hargħu minn din id-diskussjoni estensiva f'pubblikazzjoni ricerka. L-Assoċjazzjoni kkommissa li tuza dawn il-konkluzjonijiet biex thejji proposti xierqa li-interess tal-komunità tan-negozji u l-ekonomija ta' pajjiżna.

## L-Assoċjazzjoni Maltija tad-Dyslexia b'laqgħa nhar it-28 ta' Novembru



**L-Assoċjazzjoni Maltija tad-Diżleksja**  
tistieden lill-ġenituri edukaturi, studenti u l-pubbliku ġenerali għal-laqgħa informattiva.  
**Mill-Klassi għall-Opportunitajiet fis-Sočjeta':**  
**Informazzjoni ta' kif wiehied ikun jaf dwar l-Għajnuna waqt l-Eżamijiet**

📍 Ċentru Parrokkjali, H'Attard

👤 Sra Claudia Farrugia u s-Sur Joseph K Muscat

📅 Il-Gimgha, 28 ta' Novembru 2025

🕒 6:30 PM – 8:00 PM

Dhul b'xejn għall-membri.

🎫 Hlas ta' €10 għal dawk li mhumiex membri.

Għal aktar informazzjoni, ċempel fuq in-numru 9980 7691 jew ibgħat email [secretarymdamalta@gmail.com](mailto:secretarymdamalta@gmail.com)



**L**-Assoċjazzjoni Maltija tad-Dyslexia qed torganizza laqgħa nhar il-Gimgha, 28 ta' Novembru, mis-6:30 p.m. sas-8:00 p.m., fi-Ċentru Parrokkjali ta' H'Attard. Din is-sessjoni se tkun mitfuha għall-ġenituri, edukaturi, studenti u l-pubbliku ġenerali. Din il-

laqgħa bit-tema "Minn ġoġi-Klassi għall-Opportunitajiet fis-Sočjeta': Informazzjoni ta' kif wiehied ikun jaf dwar l-Għajnuna li hemm waqt l-Eżamijiet" se titmecca minn Claudia Farrugia u Joseph K. Muscat. Parteċipazzjoni bla hlas għall-membri tal-MDA. Kontri-

buzzjoni ta' €10 għal dawk li mhumiex membri, li wiehied jindirizza fuq il-post dakinhar tal-laqgħa (flus kontanti, Revolut, jew trasferiment bankarju huma aċċettati). Għal aktar tagħrif ċempel fuq 99807691 jew ibgħat email fuq [secretarymdamalta@gmail.com](mailto:secretarymdamalta@gmail.com).

BRANDING/SUPPORTING MEDIUMS



Backdrop



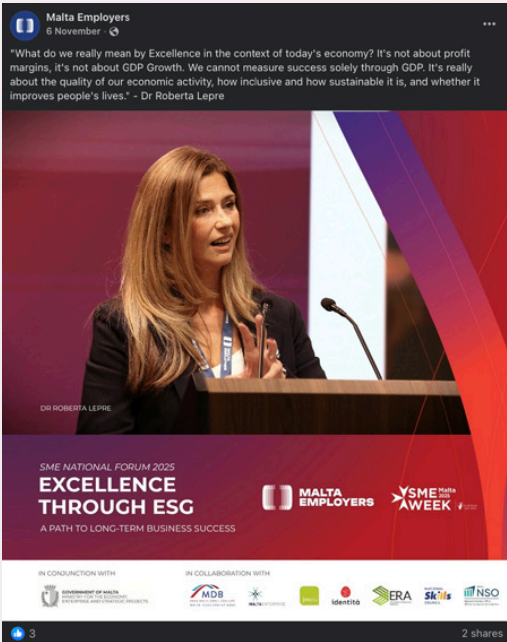
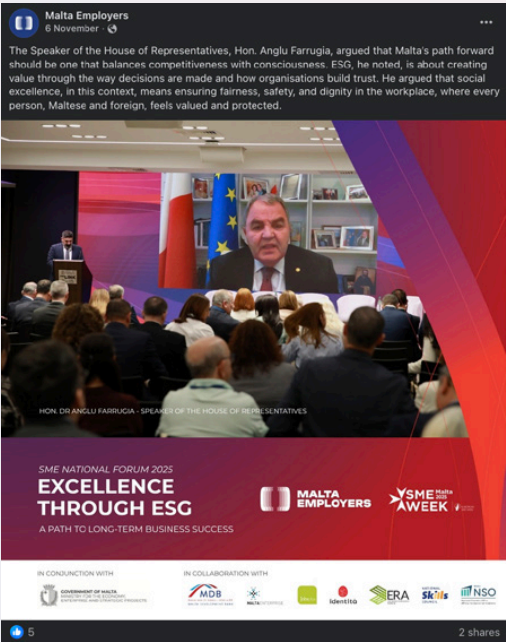
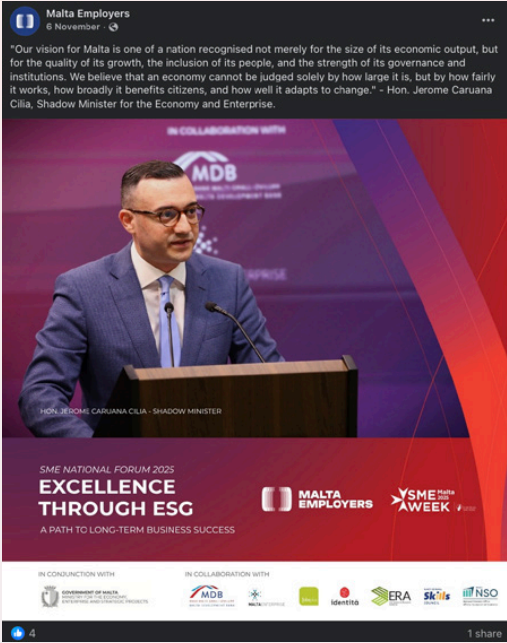
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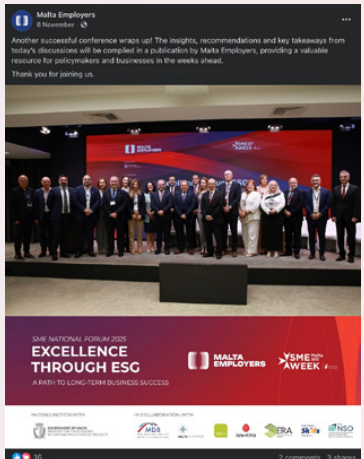
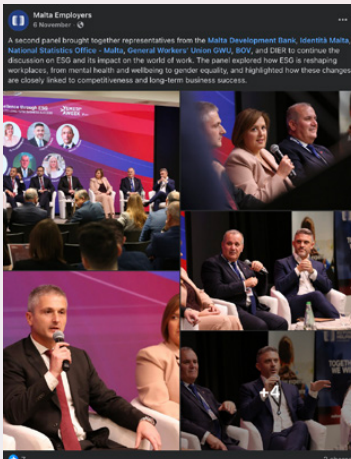
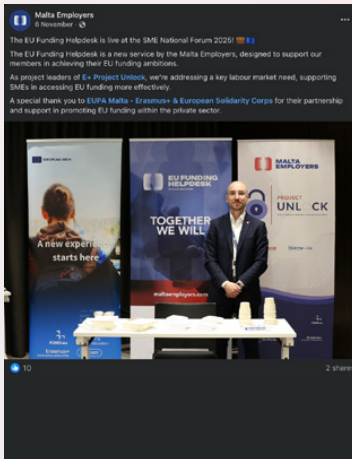
## SOCIAL MEDIA (FACEBOOK AND LINKEDIN)



# SOCIAL MEDIA (FACEBOOK AND LINKEDIN)



## SOCIAL MEDIA (FACEBOOK AND LINKEDIN)





## Outcomes and Recommendations

Based on comprehensive stakeholder consultations, expert presentations, panel discussions, and interactive surveys, Malta Employers presents the following recommendations for advancing ESG excellence across Malta's business landscape.

### IMMEDIATE PRIORITIES (2026)

1. **Develop SME-Focused ESG Resources:** Create accessible, practical guides tailored to Malta's SME context, avoiding one-size-fits-all approaches designed for large multinationals.
2. **Establish ESG Data Infrastructure:** Invest in systems capturing reliable, disaggregated data on workplace safety, social outcomes, and governance effectiveness to enable evidence-based policy.
3. **Launch Capacity-Building Programme:** Deliver targeted training for business leaders, board members, and HR professionals on ESG integration, measurement, and reporting.
4. **Strengthen Enforcement Coordination:** Improve coordination among regulatory bodies to ensure fair, competitive conditions for businesses committed to responsible practices.

### MEDIUM-TERM ACTIONS (2026-2027)

1. **Integrate ESG into Public Procurement:** Embed ESG criteria into government tenders and grant schemes to create market incentives for responsible practices.
2. **Develop National ESG Indicators:** Work with NSO to produce sector-specific ESG benchmarks providing reference points for performance assessment.
3. **Expand Financial Sector Support:** Enhance collaboration between MDB and commercial banks to increase availability of ESG-linked financing with precise requirements and support mechanisms.
4. **Strengthen Worker Voice:** Establish formal mechanisms for worker involvement in ESG strategy development and implementation.

### STRATEGIC OBJECTIVES (2027-2030)

1. **Embed ESG in Education:** Integrate ESG principles into business education curricula and professional development programmes.



## Conclusion: From Vision to Action

The Excellence through ESG conference marked a pivotal moment in Malta's journey toward embedding environmental, social, and governance excellence across our business landscape. What emerged from this gathering—bringing together government ministers, business leaders, regulators, financial institutions, worker representatives, and civil society—was not merely shared understanding but collective commitment to transforming how Malta's businesses create value.

### WHAT WE HAVE LEARNED

Throughout this initiative—from comprehensive research through stakeholder focus groups to the conference itself—several fundamental truths have crystallised:

- **ESG Excellence Drives Performance:** Evidence consistently shows that organisations excelling in social and governance practices achieve superior financial performance, attract better talent, access capital more easily, and build stakeholder trust, creating sustainable competitive advantages.
- **Implementation Remains Challenging:** Despite growing awareness, significant barriers persist—complexity, resource constraints, data gaps, and insufficient coordination among stakeholders. Malta's ESG Portal, featuring only 17 companies, starkly illustrates this implementation gap.
- **Values-Based Leadership is Critical:** ESG cannot be outsourced to consultants or treated as a compliance exercise. Success requires leadership demonstrating authentic commitment through actions, integrating ESG into core decision-making and governance structures.
- **Social and Governance Create the Foundation:** While environmental issues dominate public discourse, social excellence and strong governance enable all forms of progress. They represent areas where Malta can make an immediate impact while building capabilities for comprehensive ESG implementation.

### THE PATH FORWARD

Excellence through ESG will not happen overnight. It requires sustained, collaborative effort across Malta's entire business ecosystem. However, the alternative—maintaining the status quo while global standards evolve and stakeholder expectations increase—poses far greater risks to Malta's competitiveness and prosperity.

Malta's size and interconnectedness, often perceived as limitations, become strategic advantages in ESG implementation. Changes can happen more quickly than in larger jurisdictions. Best practices can spread rapidly through networks. Collective action can create momentum that individual efforts alone cannot.

As Malta Employers celebrates 60 years of service to Malta's business community, we reflect on how fundamentally the business environment has transformed. Yet core principles remain constant: businesses succeed when they create value for all stakeholders, treat people with dignity and respect, and govern themselves with integrity and transparency.

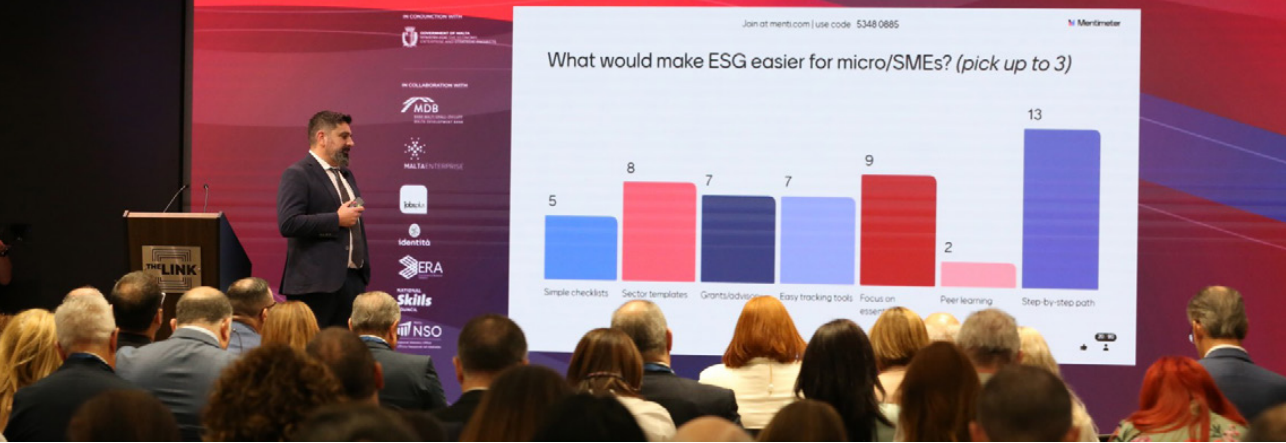
ESG provides a contemporary framework for these timeless principles. It offers language and metrics for what responsible business has always meant—operating with conscience alongside competitiveness, with long-term thinking alongside short-term performance, with stakeholder value alongside shareholder returns.

Let this publication serve not as an endpoint but as a beginning—documentation of where we stand and a roadmap for where we must go. Let it inspire action, inform policy, guide implementation, and hold us accountable for progress.

Excellence through ESG is achievable for Malta. Together, we can ensure that Maltese businesses are recognised not merely for economic success but for how that success is achieved—with excellence in social practices, strong governance, and a commitment to creating sustainable value for generations to come.

The journey begins now. Let us walk it together.











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