

Climate Change and Sustainability Services

Sustainability diagnostics and strategy



In this turbulent world, your business faces regulatory requirements and the need to meet stakeholder expectations as well as respond to the opportunities presented for revenue generation and cost reduction.

This creates an urge for many organizations to embed sustainability principles into their core business activities to achieve short-term objectives and create long-term shareholder value. The industry in which you operate as well as your extended business relationships introduce additional complexity, challenges, responsibilities and opportunities.

Our local, multidisciplinary team combines our core experience in assurance, tax, transactions and advisory with climate change and sustainability skills and deep industry knowledge. You will receive a tailored service supported by global methodologies to meet your specific needs.

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Understanding and responding to disruptive technological, social and environmental changes is becoming increasingly important for organizations. A narrow focus on financial results is no longer enough to interpret medium- or long-term trends; a more holistic approach is warranted to drive competitiveness and in response to risks and demand from customers and investors.

Assessing your position is the first step to becoming a sustainable business for a long term.

Advantage you can gain:

- ▶ **Better relationships with stakeholders** – better understanding of your organization's overall commitments and midterm actions.
- ▶ **Market differentiation** – definition of your personalized positioning in terms of sustainability.
- ▶ **Enhanced efficiency** – better understanding of key processes relating to sustainability and non-financial information management.
- ▶ **Innovation** – improved processes, products and services based on the integration of societal and environmental opportunities and challenges.
- ▶ **Improved understanding of the sustainability outlook and context** – better integration of the sustainability concept into the operational area of your organization.
- ▶ **Brand awareness and strong reputation** – meeting the expectations of your stakeholders and building the image of a responsible business citizen.



Our services include:

- 1** Advice on sustainable strategy for businesses, brands, cities and regions, including:
 - ▶ stakeholder analysis
 - ▶ materiality matrix development
 - ▶ value creation modelling
- 2** Benchmarking sustainability policy and organizational structure
- 3** Assistance with integrating sustainable development in KPI system
- 4** Building a business case
- 5** Assistance with stakeholder engagement planning and strategy development

Non-financial reporting and assurance



Investors, regulators and – more broadly – society are increasingly demanding greater transparency around non-financial performance of organizations to assess their true long-term value. In response, businesses must broaden the scope of their reporting and seek new ways of communicating non-financial performance.

Sustainability reporting can help your organization to measure, evaluate and communicate major economic, environmental and social impacts, set goals and manage your business more effectively.

Advantage you can gain:

- ▶ **Increased efficiency** – enhanced understanding of risks and opportunities and the broader picture of your organization's impact areas leading to an improved decision-making process.
- ▶ **Benchmarking** – assessment of sustainability performance with respect to laws, regulations, codes, relevant local and international standards and best practices in the industry.
- ▶ **Brand awareness and strong reputation** – greater transparency leading to enhanced confidence of both internal and external stakeholders, especially institutional investors.
- ▶ **Access to new capital** – better understanding of the organization's true value and higher ranking by capital providers and investors.
- ▶ **Market differentiation** – identification and implementation of required initiatives to increase success, reduce negative social impacts and create social benefits.

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Non-financial reporting advisory

We can carry out a thorough review of the concept, content and structure of the reports to increase stakeholder value and satisfy their needs. This will help communicate your non-financial credentials and develop corporate, non-financial and integrated reporting frameworks.



Our services include:

- 1 Development of the content of non-financial and integrated annual reports
- 2 Diagnostics and improvement of internal systems and processes to support the preparation of reports
- 3 Benchmarking other companies and making recommendations on how to improve reporting
- 4 Assistance with the development of internal and external reporting strategies, including the formulation of relevant KPIs
- 5 Assistance with the development of an integrated reporting framework

Non-financial reporting assurance

Our sustainability assurance services will increase transparency and accountability across your organization, as well as provide assurance to the management and those charged with governance over the quality of the information provided. Non-financial assurance ensures that the information disclosed in your report is compliant with the relevant industry, sector or professional standards, and supported by the independent assurance report.

Our services include:

- 1 Assurance of sustainability or corporate responsibility reports, including performance disclosures, data, targets and KPIs relating to environmental, social, economic and governance topics
- 2 Assurance of integrated reports, including Environmental, Social and Governance (ESG) disclosures
- 3 Assurance of specific indicators and statements
- 4 Report our observations obtained during the assurance process and areas for improvement to management

The Sustainable Development Goals (SDGs)

On 25 September 2015, 193 member states of the UN adopted the SDGs defining the Agenda for inclusive economic growth through to 2030. The SDGs cover broad challenges such as economic inclusion, diminishing natural resources, geopolitical instability, environmental degradation and the multifaceted impacts of climate change. Effective implementation of the SDGs by each member state primarily depends on the performance of businesses.

Consideration and integration of the SDGs into business operations can help companies define a clear vision and strategy and create tangible benefits for both internal and external stakeholders.

Advantage you can get:

- ▶ **Robust growth** – new market opportunities and shared value stimulation as a result of secured ability to generate capital and shareholder value over the long-term.
- ▶ **Risk management** – better understanding of the challenges to businesses and society, and their timely mitigation.
- ▶ **New capital** – investment flows offered by various organizations, including NGOs and the public sector, toward the global developmental challenges framed around the SDGs.
- ▶ **Specific goals** – setting sustainable development goals incorporated in the overall business strategy to focus on the most disturbing social, environmental and economic challenges.

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Fundamentally, the SDGs give companies a historic chance to address society's challenges and leverage them as opportunities to enhance business growth and long-term competitiveness.

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”Better Business, Better World” 2017 report by the Business & Sustainable Development Commission revealed that sustainable business models related to the SDGs could open economic opportunities worth up to US\$12 trillion and increase employment by up to 380 million jobs by 2030.

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The UN estimates that the cost of achieving the SDGs will be approximately US\$3.3 to US\$4.5 trillion per year.¹

¹ ”Business and the United Nations: Working Together Towards the Sustainable Development Goals: A framework for Action,” UN SDGF, Harvard Kennedy School and Business Fights Poverty, 2015



Our services include:

- 1** SDG prioritization based on business characteristics

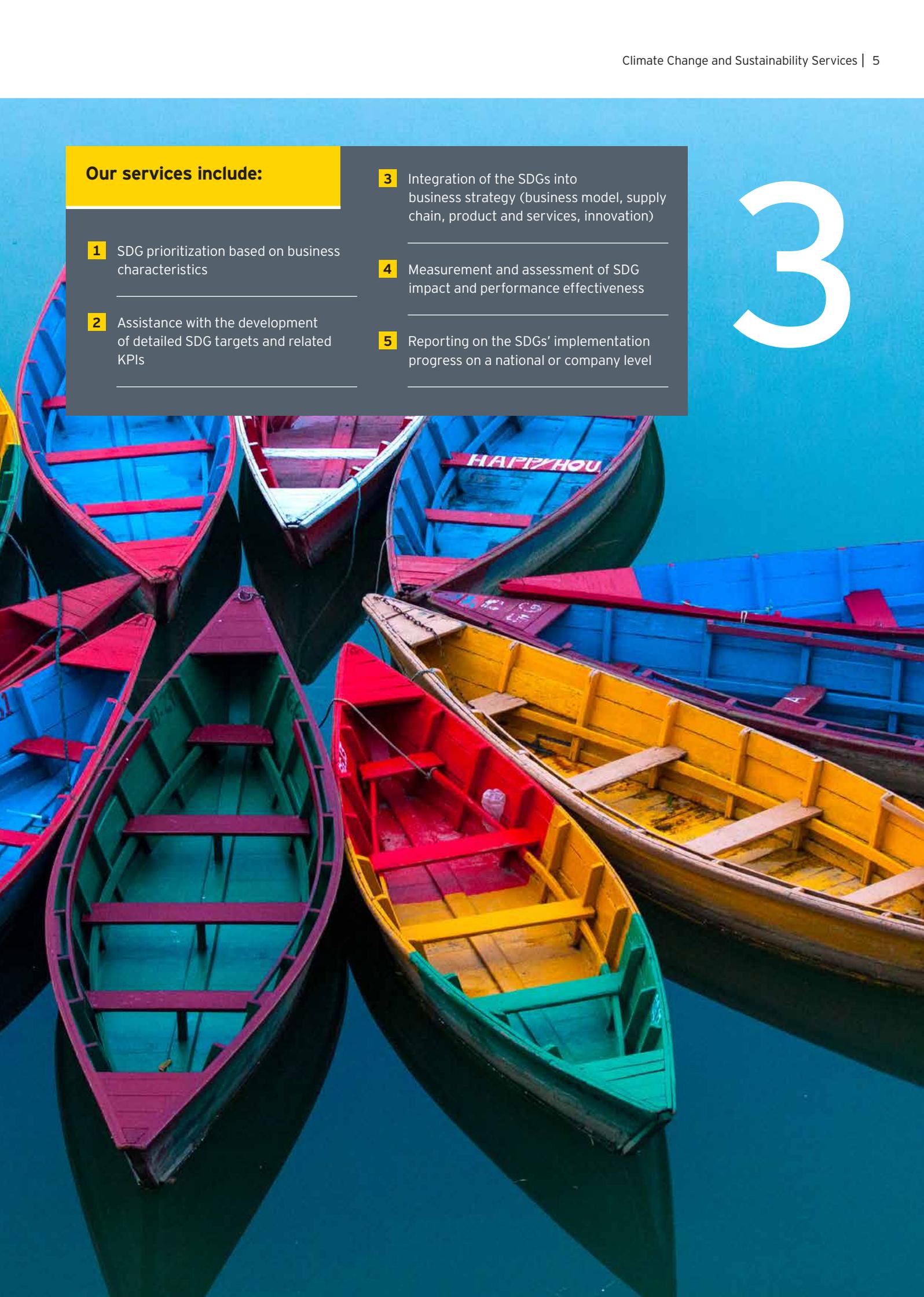
- 2** Assistance with the development of detailed SDG targets and related KPIs

- 3** Integration of the SDGs into business strategy (business model, supply chain, product and services, innovation)

- 4** Measurement and assessment of SDG impact and performance effectiveness

- 5** Reporting on the SDGs' implementation progress on a national or company level

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Climate change and energy

In today's environment, businesses can no longer ignore the physical, market and regulatory impacts of climate change. There is a global trend for organizations to seek to respond to the risks and opportunities related to these impacts, as well as an increasing expectation of transparency from both regulated and non-regulated reporting.

Investing in green business can help companies benefit from opportunities related to new carbon markets and renewable energy market drivers by complying with greenhouse and energy regulatory programs, developing the respective strategies and policies.





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Advantage you can gain:

- ▶ **Additional opportunities** – increased effectiveness in identification, evaluation and implementation of focused programs
- ▶ **Risk management** – deep understanding of industry and regulatory challenges and associated impacts.
- ▶ **Reduced costs** – efficient use of resources and processes.
- ▶ **Brand awareness and reputation** – enhance credibility and corporate reputation by continuously controlling your emissions.
- ▶ **Access to new capital (e.g. Green bonds and carbon finance)** – mitigation of financial barriers to effective energy efficiency and carbon policy/strategy implementation.

Our services include:

- 1** Advice on climate change, carbon markets and renewable energy strategy, policy and programs
- 2** Assistance with the development and implementation of adaptation strategies and processes
- 3** Assistance with the development and implementation of process improvements and carbon compensation projects to reduce greenhouse gas (GHG) emissions
- 4** Assessment of GHG emissions from products or services
- 5** Development of corporate GHG emission accounting methodology
- 6** Assistance with GHG emissions inventory
- 7** Assistance with the development of state initiatives on clean tech and/or a green economy
- 8** Assistance with the development and implementation of water and waste management strategies and action plans (company, organization, project or city level)
- 9** Advice on energy efficiency and cost reduction
- 10** Assessment of climate risk and vulnerability

Environment, Health and Safety (EHS) services

Compliance, productivity and operational issues in managing environment, health and safety (EHS) risks have become broader and more complex.

Integrating EHS management into the business operating system – creating a single source of operating instructions and procedures for all company processes across facilities, regions and the entire organization – lays the foundation for compliance, consistency and continuous improvement.

Advantage you can gain:

- ▶ **Risk mitigation** – analysis and prediction of EHS-related regulatory, operational and reputational risks.
- ▶ **Improved operational effectiveness and cost reduction** – integration of EHS management into the business operating systems and application of a unified and systematic approach throughout the company.
- ▶ **Access to new capital** – attraction of EHS-sensitive investors and EHS-focused partnerships.
- ▶ **Increased revenue** – product, service and technology innovation and expanded market opportunities.



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Our services include:

- 1** Assistance with EHS strategy, safety culture and behavioral maturity assessments
- 2** Assistance with EHS compliance assessments (including assessments against ISO standards)
- 3** Assistance with due diligence reports
- 4** Assistance with EHS risk assessments
- 5** Implementation of a gap analysis to assess legislation or internal policy
- 6** Co-development, implementation and review of EHS management systems and assurance frameworks (including systems in accordance with ISO standards)
- 7** Advice on EHS data management. Implementation of EHS data analytics
- 8** Advice on resource efficiency and waste management
- 9** Advice on EHS IT system effectiveness and transformation
- 10** Analysis of EHS management and board reporting

Outcomes measurement services

Companies are increasingly finding that previous approaches to measuring value are becoming outdated and are therefore seeking broader measurement and valuation frameworks to better understand their value. Additionally, companies are increasingly seeing the benefits of impact investment and are looking to access new streams of capital.

Long-term value, integrated reporting, the six capitals (financial, manufacturing, human, social and relationship, intellectual and natural), expanded reporting, creating shared value – these are all concepts that are changing the way companies and investors consider the value of organizations.



Advantage you can gain:

- ▶ **Improved decision-making** – greater awareness of the nature and size of investment impacts, including real benefits of social investment.
- ▶ **Long-term value for a broader range of stakeholders** – better understanding of the real needs of stakeholders, building comprehensive community contribution programs and investment decisions with a long-lasting sustainable outcome.
- ▶ **Enhanced reputation** – deep understanding of the company's full range of impacts leading to increased confidence among stakeholders.
- ▶ **Access to new capital** – better understanding of the organization's true value leading to a higher ranking by capital providers and investors.

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Our services include:

- 1** Assistance with the development and implementation of strategies and programs to meet social and environmental objectives of investments, including social projects
- 2** Assistance with the development and implementation of community investment and aid strategies
- 3** Assistance with natural capital assessments
- 4** Assistance with the development of an outcomes measurement framework
- 5** Implementation of impact analysis, including aid and social return on investment (SROI)
- 6** Retrospective and forward-looking analyses of full socioeconomic impact of a project, business or investment in a new line of business
- 7** Development and implementation of stakeholder engagement programs

Building a sustainable supply chain

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Organizations whose operations depend on the supply chain need to recognize reputational and financial risks that can arise if suppliers act irresponsibly.

Organizations that develop a sustainable supply chain can achieve improved business outcomes and increased stakeholder value, as well as build resilience and strengthen the social license to operate and grow.



Advantage you can gain:

- ▶ **Higher efficiency** – better performance delivering long-term value.
- ▶ **Risk management and strong reputation** – timely identification of and response to complex sustainability issues in the supply chain most relevant to your business resulting in increased credibility.
- ▶ **Improved decision making** - integration of sustainable procurement in existing procedures to align with your general business strategy.



Our services include:

- 1** Assistance with the development, design and implementation of a sustainable supply chain management strategy
- 2** Assistance with stakeholders engagement, prioritization and analysis
- 3** Advice on environmental and social risks in the supply chain
- 4** Assistance with training, development and capacity building of potential suppliers
- 5** Development of policies and procedures setting sustainability requirements for suppliers

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