



## **Sustainability services**

Putting sustainability at the heart of your business

mazars



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# Introduction to sustainability

## Why it matters

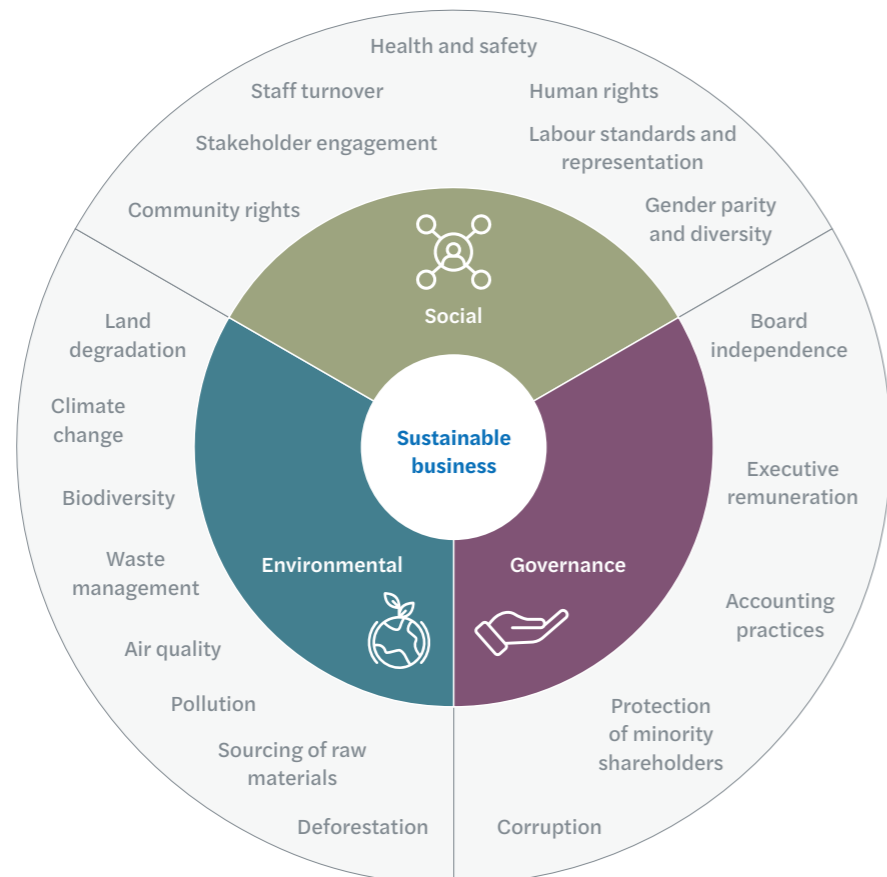
**For organisations to succeed today, sustainability must be at the heart of their business model.**

Sustainability is an issue that all organisations need to address to futureproof themselves. The topic is broad and likely to impact all aspects of business in the coming years, from attracting and retaining capital, clients and staff to meeting legal obligations and controlling costs. A sustainable business will have the ability to meet regulatory requirements, support stakeholder expectations and participate in the necessary transition to more sustainable economies and societies.

Sustainability considerations vary across organisations and sectors. They give rise to new risks which may impact reputation and financial performance if not mitigated.

Sustainability also generates opportunities. Aligning internal and external stakeholders, key priorities and agreeing common targets can be very powerful in driving engagement and helping an organisation to retain or improve its market position.

Throughout your sustainability journey with us you will build competencies to address impacts, mitigate risks and embrace opportunities.





## Your sustainability journey

Whether you are at the beginning of your sustainability journey, or need support with your existing roadmap, we're here to help.

A sustainable business strategy aims to create long-term value for your business, your stakeholders and wider society.

We identify and focus on the sustainability issues that will have the biggest impact on your business and that matter most to stakeholders, your business reputation and your ability to create value.

Your business is unique and at Mazars we have the expertise to assist you to connect the dots and formulate a strategy that is tailor-made for your business, while at the same time ensuring you comply with increased levels of regulation.

Whatever stage of your journey you are at, together we will review your key sustainability challenges, analyse the main impacts on your business model, identify risks and opportunities, and help you plan and manage your priorities.

## Your sustainability journey Business benefits of addressing sustainability

Businesses can no longer afford to ignore environmental, social and governance (ESG) considerations.



### Finance

Assets under management of Principles for Responsible Investment (PRI) signatories have grown from \$6tn in 2006 to \$121tn in 2021.

Sustainability is among the top priorities for private equity fund partners. Ignoring it could limit access to capital. Sustainability-oriented financing solutions, like green bonds, are reaching maturity.



### Clients

Larger organisations are making sustainability commitments that have a direct impact on the suppliers they choose. A lack of preparation could mean a loss of business.

Customers, and civil society at large, are increasingly paying attention to the sustainability commitments of the companies they buy from.



### Employees

As individuals become more aware of the global challenges humanity faces, they expect organisations they work for to demonstrate values that are sustainable.

Working in an inclusive, diverse, protective and safe environment is a growing requirement for collaborators.



### Compliance

Sustainability reporting requirements will become mandatory worldwide. Early preparation means reduced compliance costs and operational burden.

Regulations like the EU taxonomy for sustainable activities aim to redirect flows of capital towards sustainable activities.

# Your sustainability journey ESG Health Check

## Where are you on your sustainability journey?

Sustainability is a journey: no business model can be changed overnight. To build a sustainability strategy, you must first identify the main challenges that will face your organisation's existing business model.

Identifying these challenges is part of the process of setting well designed objectives and plans, but that is only part of the journey.

While we can help you identify the main aspects of your sustainability journey, we believe in personalised paths. Through our collaboration, we will tailor our support to your precise needs based on where you are on your journey and where you wish to go.



## Sustainability assessment for businesses

For clients that are considering or only just commencing their sustainability journey, our ESG Health Check is an effective tool to assist you in taking the first steps.

### About the ESG Health Check

- Our sustainability assessment is a 'health check' of your business's current status and a gap analysis of its minimum regulatory and societal requirements.
- The results of your online questionnaire will be compiled with high-level insights and compared against benchmarked data to inform a personalised action plan formulated to address these gaps.
- We'll also refer you to the United Nations Sustainable Development Goals (SDGs) and guide you through how these goals are best addressed by your business.

### Value

- Completing the ESG Health Check will give you a recognised sustainability awareness accreditation, delivered by Mazars in line with the UN SDGs.
- The ESG Health Check will provide you with a suggested path forward and specific actions that will enable you to plan your sustainability path.



# Your sustainability journey Define the right strategy

## To be effective and achieve new opportunities, your sustainability strategy must be fully integrated into your business model.

### Sustainability strategy formulation

An effective sustainability strategy will be integrated into your wider business and will align all your objectives with the aim of creating long-term value for your organisation, your stakeholders and wider society, while sustaining and enhancing the world's natural resources for future generations

### How Mazars can help

- At Mazars we have the expertise to assist you to connect the dots and design a sustainability based strategy that is tailor-made for your organisation while at the same time ensuring compliance with increased levels of regulation.
- Mazars will support you in understanding complex details of requirements which may arise from your commitment to strategically embedding sustainability into your organisation.

### Key steps to sustainable business

Our approach follows five key steps that each company will need to undertake on their sustainability journey:

	Materiality assessment	Business model and strategy	Governance and organisation	Implementation	Performance measurement
Key questions	What are the relevant sustainability risks and opportunities for our business? What impact does our activity have on the planet, people and society?	What are the key aspects of our business model that should evolve to become sustainable? How should we adapt our strategy?	What is the relevant governance to deliver our sustainability strategy? How should our internal organisation evolve?	How can we build the policies, action plans and targets that will make our sustainability strategy go live? What are the required resources?	How can we track progress versus targets and the achievements of our sustainability policies and action plans? What indicators should we follow?
Client considerations	<ul style="list-style-type: none"> <li>• ESG Health Check</li> <li>• Stakeholder analysis</li> <li>• Materiality assessment</li> <li>• Materiality matrix</li> <li>• Assessment of sustainability risks and opportunities</li> </ul>	<ul style="list-style-type: none"> <li>• How to address key risks and opportunities</li> <li>• Necessary adaptations to the business model</li> <li>• Pillars of the sustainability strategy</li> </ul>	<ul style="list-style-type: none"> <li>• Specific governance to steer the sustainability strategy</li> <li>• Changes needed to the organisation</li> <li>• Definition of internal processes</li> </ul>	<ul style="list-style-type: none"> <li>• Definition of policies (e.g. carbon trajectory, supplier audit)</li> <li>• Estimation of needed resources</li> <li>• Systems evolution / specific IT and tools</li> </ul>	<ul style="list-style-type: none"> <li>• Choice of KPIs to be implemented</li> <li>• Choice of reporting framework</li> <li>• Processes and systems to measure, track and report progress</li> </ul>



## Assessing and reporting your progress

### Now that you've started your journey, it's time to track your progress.

At Mazars, we strongly believe that developing strong sustainability reporting goes beyond just complying with applicable regulations, and can become a competitive advantage.

We help you highlight the sustainability topics that matter most to your business and your stakeholders – whether they are investors, clients, collaborators, or wider society – and define the best ways to measure and report progress and achievements.

We provide assurance on your sustainability information and achievements, tailored to your needs.

## Assessing and reporting your progress

### Building meaningful sustainability reporting

#### Regulations on sustainability reporting are gaining momentum

By 2024 within the EU the Corporate Sustainability Reporting Directive (CSRD) will introduce the use of mandatory sustainability reporting standards. These standards, which are currently under development, leverage existing leading international frameworks throughout all member states, and will be mandatory for all listed companies and large companies.

Elsewhere, national authorities are choosing whether to make the use of an existing framework (such as the TCFD in the UK) compulsory, support developing initiatives (such as the IFRS Foundation's project on sustainability standards) or create their own regulations, as some countries are considering.

#### We can help you find a safe path across this fast-evolving ecosystem

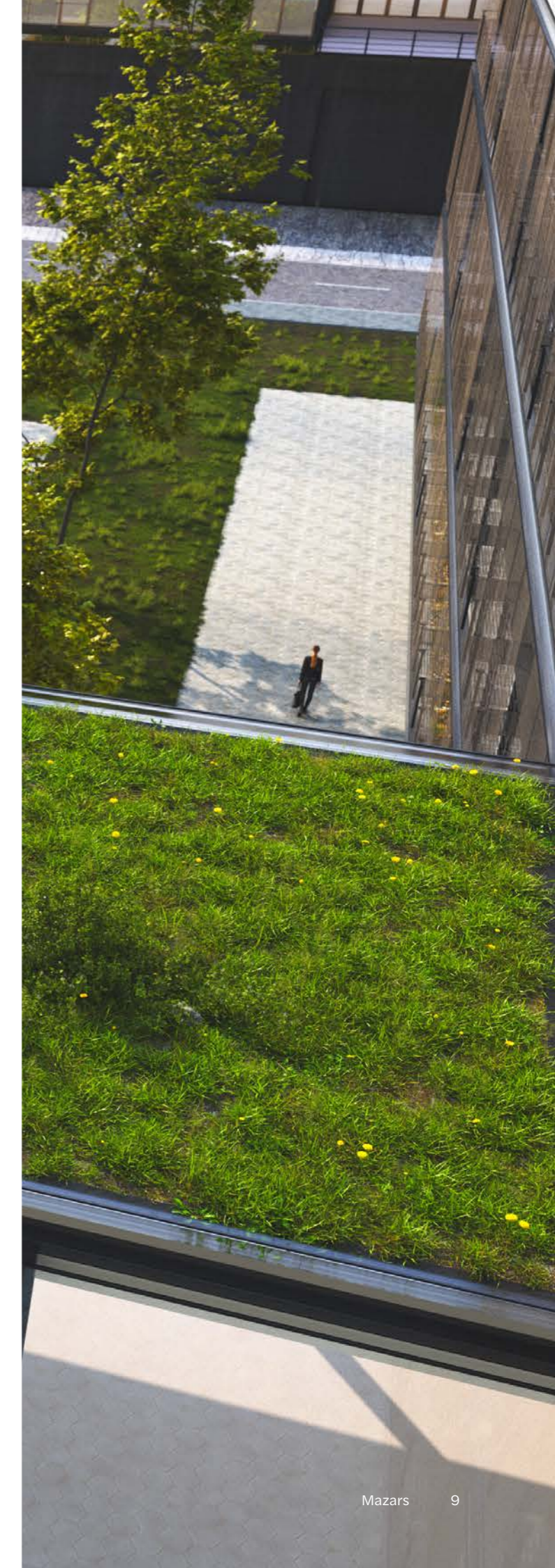
Whether you are reporting voluntarily or have to comply with specific requirements, we will help you navigate complex international reporting frameworks and standards. We will support you to decide how to best use them to fairly represent your sustainability journey and achievements in a way that will satisfy your stakeholders' needs.

Our teams have experience with all the leading frameworks and standards, such as the GRI, TCFD, CDP, Value Reporting Foundation/SASB and UN SDGs.

In addition, Mazars is at the heart of the EU's ongoing standard-setting efforts and is deeply engaged in the strong regulatory momentum towards sustainability reporting, including the EU taxonomy and the CSRD. We know where the EU is heading, and we can help you prepare for it.

#### Deploying your sustainability reporting

We can help you transform your processes and systems so that sustainability reporting can be implemented as seamlessly as possible for your business. We will identify the right tools for you, help you connect them to your existing systems, and then automate your data flows so that you can concentrate on the most important part of reporting: creating value.



## Assessing and reporting your progress

### Providing trustworthy assurance to your stakeholders

#### We know what sustainability assurance means

At Mazars, we consistently base our work on the most widely recognised international norms (notably ISAE 3000, ISRS 4400 and ISO 26000) and share knowledge with industry peers to deliver the most relevant and up-to-date assurance to our clients.

We are actively involved in both national and international committees working on the evolution of sustainability assurance standards, and will impart our understanding to support your business.

#### Sustainability audit as a value creation driver

Providing assurance on sustainability reporting contributes to enhancing the quality of disclosures, and therefore provides both management and stakeholders comfort on the progress made towards set objectives.

The growth in sustainable finance, including green bonds and loans, means investors also require greater transparency in sustainability disclosures.

#### Sustainability assurance: main areas of focus

Assurance on sustainability reports and ESG disclosures, be they stand-alone or within integrated reports, and related communication pieces

Compliance and alignment with specific standards, guidelines, or a set of principles (e.g. Responsible Jewellery Council, “Entreprise à mission” status in France)

Supply chain auditing against international standards (e.g. International Labour Organization) or ad hoc sets of criteria

Adherence to principles and labelling schemes for green and sustainable bonds issuance.

**Our assurance services are performed by a global team of professionals with expertise across a wide range of industry sectors.**





## Implementing change

Go further in your sustainability journey, tackle specific sustainability challenges, and dive into the operational aspects of your business transformation.

**Our expert teams, located in global centres of excellence across Mazars, are here for you.**

Whether you want to take a deep dive into greenhouse gas reduction challenges and solutions, human rights due diligence or governance matters, our integrated team approach provides the right blend of sustainability knowledge and functional skills.

## Implementing change TCFD compliance

**In several countries, thousands of companies will soon be required to follow the recommendations of the TCFD on four key pillars: governance, strategy, risk management, metrics and targets.**

### Why the TCFD matters

The Financial Stability Board (FSB) is an international body that monitors and makes recommendations on the global financial system. In 2015, at the request of the G20, the FSB developed the TCFD, focusing specifically on climate change.

The initiative stemmed from a global need for larger companies to prioritise and implement the recommendations of the TCFD, rather than wait for a common international climate-related reporting standard.

These recommendations have already been adopted by more than 2,600 companies worldwide, with numbers set to increase as pressure grows from regulators. The UK has taken steps towards making TCFD adoption mandatory as early as 2023, with international regulators also encouraging adoption.

Therefore, it is crucial for businesses to be aware of these recommendations and take action.

### How Mazars can help

Mazars has developed expertise and a service to support your business and help companies implement these recommendations. Our TCFD implementation service is structured across three stages: gap analysis and action plan, implementation, and reporting.

We provide a unique blend of expertise in climate regulation, governance, risk management, quantitative solutions and non-financial report production.

We stay up to date with industry best practice and work with institutions of all sizes, delivering recommendations that are relevant and proportionate to each of our clients. Importantly, our approach is collaborative – we work closely with decision-makers throughout delivery.

	Governance	Strategy	Risk management	Metrics and targets
Gap analysis and action plan	Identify gaps in firm's current governance against TCFD recommendations			
	Develop implementation roadmap to fully embed TCFD recommendations			
Implementation	Assign climate responsibilities at board, sub-committee and management levels	Run materiality assessment to identify exposure to transition and physical risk drivers	Review risk policies and processes to embed steps for climate risk identification, assessment and mitigation	Define and monitor metrics to assess climate risks and opportunities
		Run scenario analysis to identify opportunities and risks in the short, medium and long term		Set targets for climate metrics where relevant
		Implement processes to measure emissions (scopes 1, 2, 3)		
Reporting	Incorporate TCFD reporting into governance and internal control framework			
	Develop and publish TCFD-aligned disclosures			
	Continual improve TCFD disclosures in line with evolving guidance and practices			



## Implementing change Business and human rights

**The days when lip service could be paid to the issue of human rights are long behind us; it is now essential every business ensures its policies, processes, procedures and controls do not harm others.**

Companies can harm people in many ways: not paying a living wage, discrimination, poor working conditions, unethical behaviour in supply chains. Each has the potential to destroy value in the company. It is therefore vital that companies have in place systems that not only mitigate these risks but also procedures to react when issues do arise. The UN Guiding Principles on Business and Human Rights (UNGPs) are the lead guidance and Mazars was the co-author of the authoritative framework ([www.UNGPreporting.org](http://www.UNGPreporting.org)) to help companies embed such systems.

### Why demonstrate respect for human rights?

The benefits for companies that demonstrate greater respect for human rights are many:

- Attracting investment given the size and importance of ethical funds
- Improved reputation risk management
- Greater engagement with employees, communities and suppliers, thereby generating greater trust
- Reduced costs owing to less adverse impact on human rights
- Attractive to a larger number of recruitment candidates across all generations
- Greater workforce retention.

### How Mazars can help

Mazars can help your business understand its actual and potential impact on human rights in a way that is beneficial to your company and your stakeholders.

- Undertake human rights due diligence
- Map out risks and opportunities related to human rights via a risk assessment
- Design and assist in the implementation of appropriate procedures and controls to mitigate any adverse impacts on human rights
- Design an appropriate internal monitoring strategy
- Develop a communications strategy that relays your company's commitment to human rights and how it is addressing the risk of its impacts
- Review, track and report performance; and recommend industry best practices that are applicable to your company
- Prepare strategic report content (UK) or non-financial statement (EU)
- Draft stand-alone human rights reports or relevant sections of wider sustainability reports
- Provide independent assurance of human rights reports.

“The UNGP Reporting Framework, as co-authored by Mazars puts the corporate responsibility to respect human rights into everyday language: a set of smart, straightforward questions to which any company needs to have answers – inside and outside its own walls.”

**Professor John Ruggie, Former Special Representative of the UN Secretary-General for Business and Human Rights**



# Implementing change

## Gender balance

### Helping executive teams reach gender balance at all levels

There is increasing recognition that gender balance is not reaching the expected levels in most companies, despite massive investments over the past 15 to 20 years. For companies that launch a wide range of initiatives, progress remains slow and they struggle to see the results, in particular in senior and top management positions.

There is a clear case to reconsider the approach to improving gender balance at all levels. Companies need to move away from an approach that is:

- women-centric to a broader policy of change management and performance projects;
- HR-led topics to a CEO-led and strategic initiative;
- a “nice to have” programme to a “must have” programme.

At Mazars, we are committed to helping our clients in the public and private sectors implement the changes necessary to reach gender balance in their organisations. For this, we help CEOs engage their executive teams, build the business case and tailor the most appropriate and effective action plans.

### How Mazars can help

Our gender diversity experts have acquired deep experience of engaging with CEOs and top management teams. We know that in this field, real progress is possible only if the CEO and the executive committee are fully aware and committed. We provide advice and support to CEOs who want to make real and effective change: we help create leadership awareness, develop the right mindset and design a relevant two-to-three year programme.

#### Our three-step approach

##### 1. Mindset assessment of leadership teams

- Individual interviews
- Individuals checklist

##### 2. Executive team awareness

- KPI reviews
- Anonymous interviews
- Stereotypes, biases, leadership styles
- The business case
- Internal and external testimonies
- Brainstorming

##### 3. A two-to-three year action plan

- The roadmap: simple and meaningful for all
- Behaviours and processes to change
- Concrete measures to accelerate your plan.

### Mazars diversity toolkit

#### 1. Diversity predictive model

An analytics tool that uses historical headcount and salary data to predict future diversity and identify variables to help clients make strategic decisions that improve future workforce diversity



#### 2. Diversity and inclusion risk analysis

A tool designed to assess risk areas at each stage of the employee lifecycle and produce an overall diversity readiness assessment

#### 3. Governance assessment

A tool for analysing different variables embedded within governance that impact diversity

# Implementing change

## Sustainable finance

### There is increasing recognition that climate change and other sustainability risks jeopardise the world's economy and financial systems.

#### The case for change

Financial institutions need to find the right balance between managing these risks and seizing the opportunities generated by the transition to a more sustainable world. They have a key role to play in the reorientation of capital flows, the mitigation of risks and the financing of innovation to facilitate energy transition and long-term adaptation.

At Mazars, we are committed to helping our clients in the public and private sectors implement the changes necessary to meet their sustainable

development goals. We support financial institutions navigating the complex risks and make the most of opportunities emerging from the implementation of a sustainable strategy and climate change mitigation.

#### How Mazars can help

Our dedicated [sustainable finance team](#) offer expert advice tailored to your needs. We also support institutions with [regular insights](#) on this topic.

#### Governance

Roles and responsibilities  
Climate risk appetite statements  
MI reports  
Board training  
Benchmarks

#### Sustainability risk management

Risk policies  
Embedding climate risk in client dialogues  
Scenario analysis and stress testing  
Climate risk metrics  
ICAAP

#### Disclosures

TCFD, SFDR, Pillar 3, EU taxonomy

Advisory  
• Impact assessment and implementation roadmap  
• Data collection  
• Governance and controls  
Assurance



## Who we are Introducing Mazars

**Mazars is a leading international audit, tax and advisory firm, aspiring to build the economic foundations of a fair and prosperous world.**

Operating as a united partnership, Mazars works as one integrated team, leveraging expertise, scale and cultural understanding to deliver exceptional and tailored services in audit and accounting, as well as tax, financial advisory, consulting and legal services (where permitted under applicable country laws).

Founded in Europe, Mazars is present in over 90 countries and territories, with over 42,000 professionals – 26,000+ in our integrated partnership, 16,000+ via the Mazars North America Alliance – dedicated to helping clients make the most of business opportunities and operate with confidence.

### Breadth and depth of expertise

- Audit and assurance
- Legal
- Tax
- Consulting
- Outsourcing
- Financial advisory
- Sustainability

### Experience across industries

- Consumer
- Industrials
- Public and social sector
- Financial services
- Real estate
- Healthcare and life sciences
- Energy, infrastructure and environment
- Transport and logistics
- TMT



## Who we are Balancing today and tomorrow

### Our purpose

To help build the economic foundations of a fair and prosperous world by caring for the success of our people and clients, the health of financial markets and the integrity of our industry.

Who we are  
What makes us different

**We are an international audit, tax and advisory firm offering a different perspective.**

We believe that how we work is as important as what we do.



We are a multicultural and united partnership, committed to working in the public interest, with shared goals, values and service standards across the world.

We grow in ways that retain our independence, diversity and balanced world view.



We approach every piece of work with a commitment to the highest level of quality as well as with integrity, independence, accountability and a social conscience.



We look to truly understand our clients – who they are and how they work – and adapt our approach accordingly.

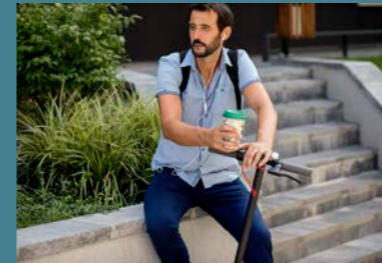


We focus on the long term, both for our clients and our firm.



Who we are  
Our brand promise

**We take pride in empowering our people, clients and industry to achieve their potential and do the right thing. We are at our best when we combine our expertise, agility and understanding to provide answers and experiences that are the right fit for our people, clients and society.**



**For our people.**

We promise you a firm that celebrates your individuality and empowers you to become the expert practitioner and leader you want to be.



**For our clients.**

We promise to give you confidence in your actions. We will bring high-quality teams and will go beyond the immediate challenge to find the answer that works best for you and your business. And we will do that with an approach that respects who you are and how you work.



**For society.**

We promise our clients, investors, markets and regulators that we will always seek to do what is right, approaching every task with integrity, independence, accountability and a social conscience.

# Contacts

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\*where permitted under applicable country laws

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