

A close-up photograph of a person's hand holding a small, vibrant green basil seedling. The hand is positioned over a mound of dark, rich soil. The background is softly blurred, showing more greenery, which emphasizes the focus on the hand and the plant. The lighting is warm and natural, highlighting the textures of the skin, the leaves, and the soil.

ESG FOR PRIVATE COMPANIES
**DRIVING
STAKEHOLDER
VALUE WITH ESG**



ESG programs for private companies

In today's world, environmental, social, and governance (ESG) is a core pillar of value creation for organisations of all sizes. With evolving stakeholder expectations, the sustainability reporting regulation, and new access to capital requirements, private companies will experience pressure to invest in an ESG program predominately through the supply chain, and if they want to be positioned for long-term success, investing in ESG becomes essential.

ESG issues specific to private companies

The following issues are material to private companies:

1. Supply chain:

Many companies have, or are in the process, of implementing sustainable supply chain criteria that if not met, could result in an inability to sell or do business with them.

2. Regulation:

Upcoming regulation on public companies to disclose and report on their Scope 1, 2 and 3 greenhouse gas (GHG) emissions will put pressure on the entire supply chain to map out their carbon footprint (i.e., public entities' scope 3 = private organisation's scope 1 and scope 2 of GHG emissions).

3. Access to capital:

Having an ESG strategy is becoming an access to capital issue. Banks and insurance companies are required to disclose climate-related risks and exposures. This means that having an ESG program will be linked to lending criteria.

4. Employee retention and attraction:

Having an ESG program is essential to attracting and retaining top talent. Recent study indicating that more than half of employees claiming they won't work for a company that does not have strong social or environmental commitments, investing in an ESG program is a defense to the great resignation.

5. Client acquisition:

Recent various researches indicating that consumers are willing to spend more on sustainable products and re-consider switching brands based on ESG commitments.

How BDO's sustainability services can help?

Our ESG specialists and services can support you regardless of where you are in your sustainability journey.



ADVISE & STRATEGY

Assist business in aligning their operations with sustainable and responsible practices. By integrating ESG principles, companies are empowered to enhance their long-term resilience, reputation and contribute positively to the global community.



CLIMATE

Provide strategic guidance, data-driven insights, actionable solutions to address climate challenges and reporting in accordance with international guidelines, like Greenhouse Gas (GHG) Protocol, TCFD and CDP.



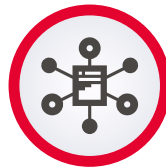
SUPPLY CHAIN CONTROL

Offer comprehensive solutions to assess, optimise, and monitor supply chain operations through the angle of ESG criteria, to assist corporation in mitigating risks, enhancing resilience and contributing to a more sustainable global business ecosystem.



SUSTAINABLE FINANCE

Offer sustainable finance solutions: ESG and impact screening, ESG due diligence, ESG portfolio management & ESG exit readiness services to guide financial institutions and businesses towards environmental and socially responsible investments.



REPORTING

Offer tailored solutions to streamline data collection, ensure compliance with relevant reporting standards (i.e. Bursa Sustainability Guide, GRI and ISSA) and provide insightful analytics to enable organisation to transparently communicate their ESG performance.



ASSURANCE

Offer a robust framework for validating and enhancing the credibility of ESG disclosures. We conduct thorough assessments to ensure accuracy, completeness and adherence to reporting standards.

Benefits of investing in ESG programs for private companies:



Early integration of an ESG program strategically positions your organisation for long-term success.



Talent attraction and retention.



Access to capital.



Client Acquisition.



Supply chain optimisation considering ESG imperatives.



Operational efficiency and innovation.



Brand reputation.



Partnership opportunities and community impact.

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