

WHO CARES?

Be a credible, ethical, and purpose-led business **who cares** about people and the planet

The

ESRS



to Strengthen Your Climate Action Business Case

Here we outline five important components to think about when building a climate action business case in relation to Revenue, Risk, Regulation, Reputation and Responsibility.

1

REVENUE

A climate action strategy will drive top-line growth and bottom-line profitability, helping organisations to:

-  Be more attractive to investors who use ESG metrics as part of their core investment criteria
-  Achieve cost savings on carbon reduction strategies such as reducing emissions
-  Drive up employee engagement to support recruitment and retention

2

RISK




Investors require organisations to demonstrate their ESG performance, helping organisations to:

-  Build disclosure agreements from ESG performance metrics
-  Expose risks within supply chain relationships
-  Mitigate risk to support effective board oversight

3

REGULATION

Laws and legislation are set to increase and a climate action strategy can help organisations to:

-  Be proactive and stay ahead of the regulatory curve
-  Reduce risk of non-compliance fines and prosecutions
-  Maintain and protect the brand credibility of the business to stakeholders

4

REPUTATION



Make credible, authentic and realistic carbon reduction claims to avoid reputational damage. A climate action strategy can help organisations to:

-  Raise the business profile through marketing and communications
-  Gain positive recognition in the industry among investors, stakeholders and communities
-  Create competitive advantage

5

RESPONSIBILITY

Influence how stakeholders perceive your organisation by demonstrating you're responsible from the inside out:

-  Boost your profile by engaging communities in your climate action efforts
-  Engage your people in meaningful climate action strategies to improve retention



In May 2021, Royal Dutch Shell received a court order to reduce greenhouse gas¹



In 2020, 80% of companies revealed they report on sustainability²



Around 70% of the world's economy is now committed to reaching net zero emissions³



More government procurement contracts have carbon reduction as an entry requirement, and commercial tenders have up to 40% of scoring based on sustainability evidence⁴

1. Internal research project - Verdantix & Alcumus. 2021. 2. The Time Has Come - KPMG Report. 2020
3. COP26 President's Foreword - Online - 2021 4. Internal research project - Verdantix & Alcumus. 2021.

ABOUT ALCUMUS

Alcumus helps organisations of all sizes anticipate, manage and mitigate risks, protecting their people, operations and the planet. Together we are creating a safer and more sustainable world.

We help our global community of 45,000 Clients and Members manage their ESG, Health and Safety and Supply Chain risk. Our connected portfolio helps organisations to manage increasingly diverse risk and builds trusted partnerships between the largest and smallest businesses in our network.

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