



ESG, Sustainability & Climate Change Services

**Our Capability Statement - West Market
Area (Africa)**



pwc.com/ESG



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Glossary of ESG, Sustainability & Climate Change Services

ESG	Environmental, Social and Governance
M&A	Mergers and Acquisitions
IPO	Initial Public Offering
IFRS	International Financial Reporting Standards
ISSB	International Sustainability Standards Board
FRC	Financial Reporting Council of Nigeria
GHG	Greenhouse Gases
P4R	Program for Results
MRV	Monitoring, Reporting and Verification
GRI	Global Reporting Initiative
SEC	Security Exchange Commission
SDGs	Sustainable Development Goals
CSRD	Corporate Sustainability Reporting Directive
CBAM	Carbon Border Adjustment Mechanism
EUDR	European Union Deforestation Regulation
AUP	Agreed Upon Procedures
CSDDD	Corporate Sustainability Due Diligence Directive
CDP	Carbon Disclosure Project
SBTi	Science-Based Targets Initiative
FSC	Forest Stewardship Council
NGX	Nigerian Exchange

Introduction

Key Drivers of Sustainability

Now more than ever, sustainability has become a vital framework for organisations to reassess their operations and strategic growth. The key drivers of this transformation include:



Need for Robust Risk Management

- Since 2021, the World Economic Forum's annual Global Risks Report has consistently ranked ESG risks among the top ten global concerns.
- Climate-related risks have also become relevant, usually grouped into: Financial, Systemic, Transition.
- There is therefore need for scenario planning and stress –testing is on the rise for climate related risks.



Growing E&S litigation

- **Governments and regulatory bodies are implementing stricter environmental and social regulations** to address sustainability concerns such as the EUDR.
- Litigation can result in substantial costs, damage to reputation, and even business disruption.



Brand Value and Sustainability Ratings

- Sustainability initiatives can serve as a unique selling point, setting a company apart from its competitors.
- Investors are increasingly considering sustainability factors in their investment decisions.



Regulatory compliance

- Meeting stakeholders' requirements from headquarters, particularly for multinational organisations.
- **Regulatory bodies require companies to disclose information related to their ESG practices** e.g. CBAM, CSDDD, CSRD.
- Financial regulators are recognising the financial risks associated with sustainability issues. e.g. introduction of ISSB S1 & S2 Reporting Standards.



Social license to operate

- Sustainability metrics have become benchmarks for corporate credibility, meaning **social licence is serious business for companies looking to remain at the top.**



Sustainable Finance

- Sustainable finance directs capital towards activities and projects that have positive environmental and social impacts.
- **Investors are prioritising sustainable projects and operations.**



Push for Just Transition

- Shifting from fossil fuels to renewable energy sources is critical as it facilitates a reduction in GHG emissions, curbing its associated impacts on ecosystems and human health.
- Through a **Just transition**, companies achieve energy security and reduced-carbon operations while ensuring an inclusive and equitable energy transition.



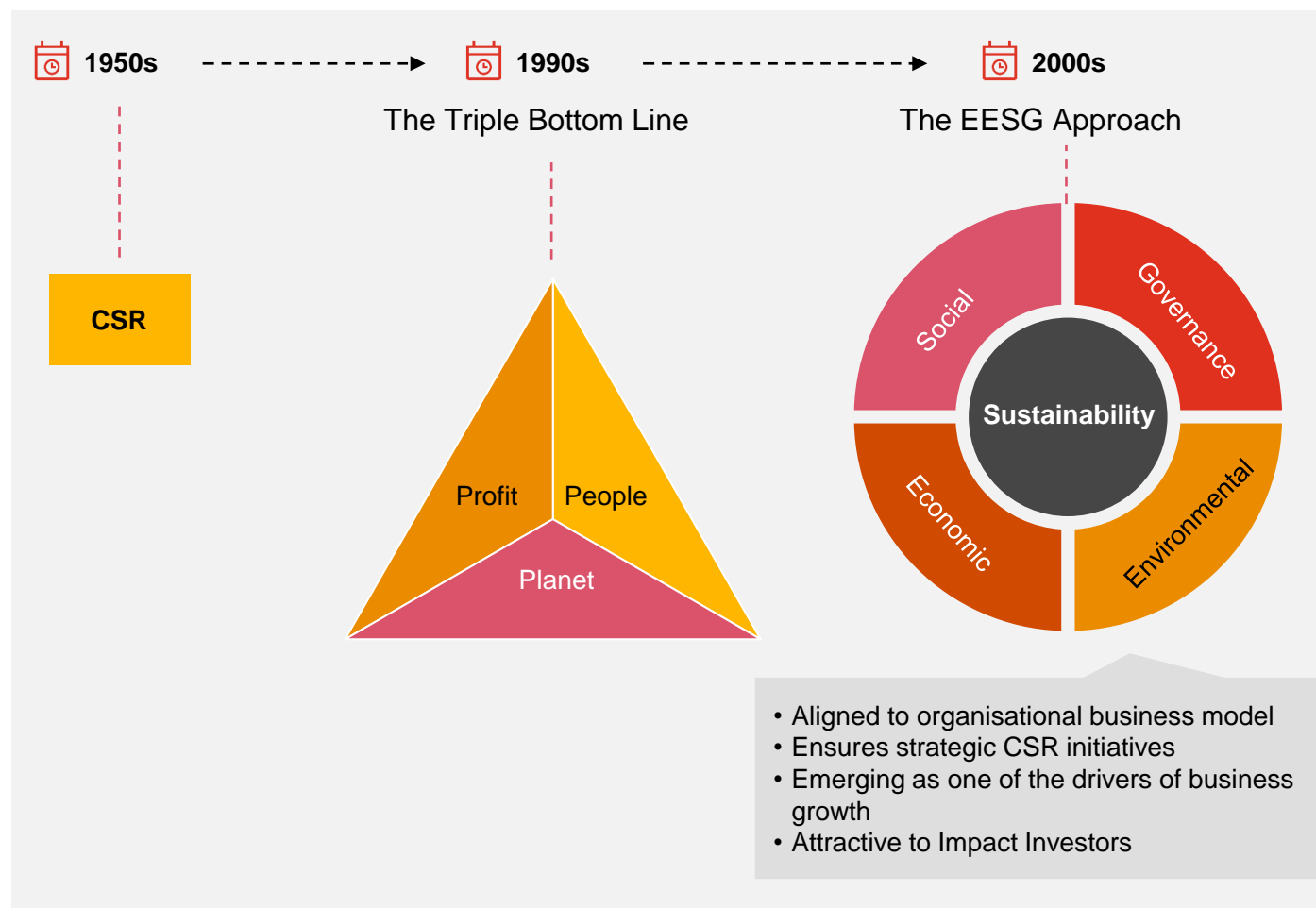
Need for Responsible Natural Resource Management

- Sustainable production and consumption enhances sustainable supply chain activities and reduces the overall footprint of an organisation's operations.
- Resource management enables companies to adapt and contribute to environmental & social goals such as the SDGs while ensuring sustained success.

Introduction

The Triple Bottom Line and Sustainability

In the past organisations have tried to infuse elements of sustainability in their business operations through CSR or the triple bottom line model. Currently, organisations consider EESG factors for integrating sustainability in their operations.



Introduction

Why Sustainability?

There is an increased call to integrate sustainability in the core strategy of organisations, as it is essential for businesses to adapt and build resilience in order to push for growth in the 21st century and beyond.

Enhancing Overall Business Performance



The Emerging Sustainability Equation



Non-Financial
Performance

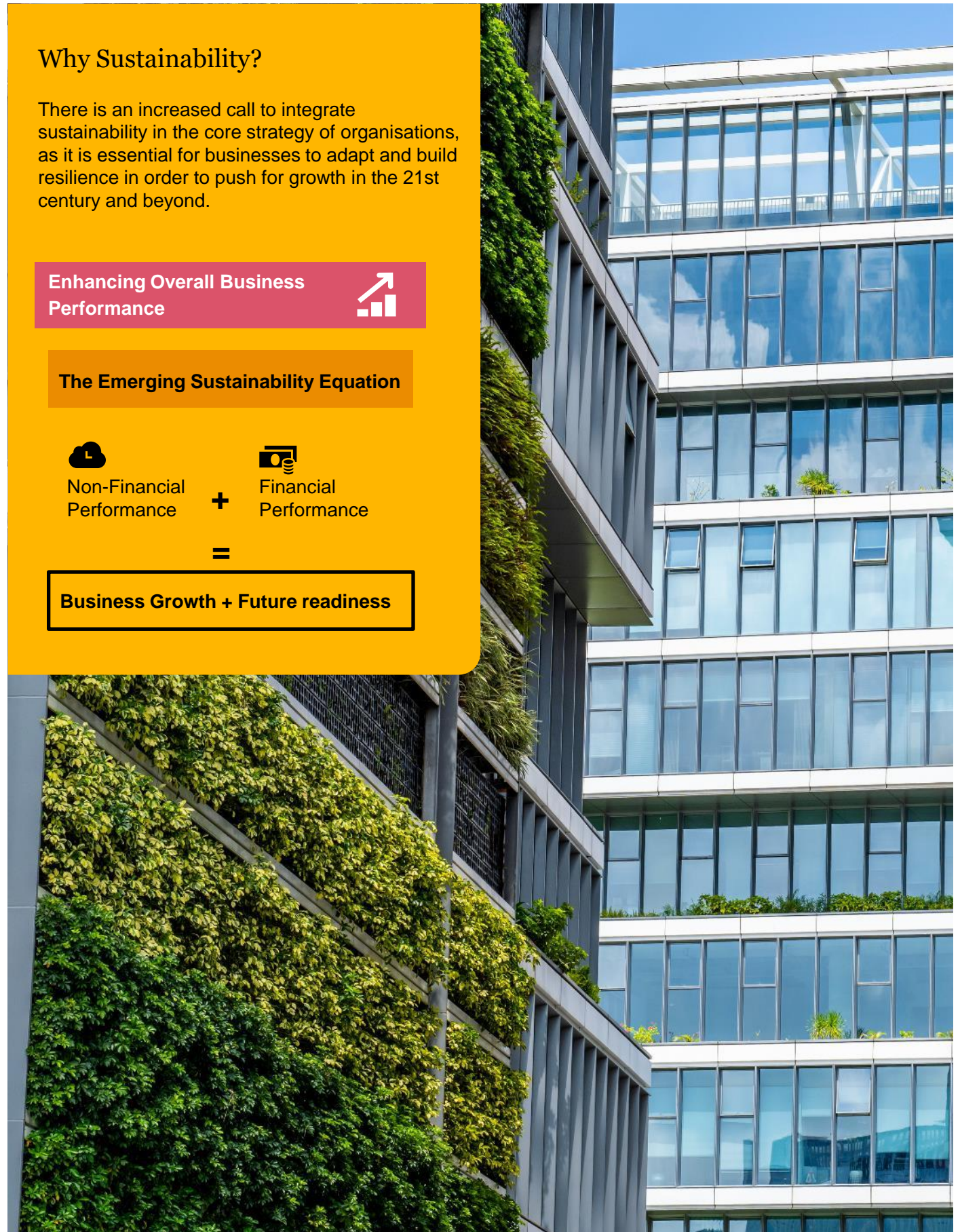
+



Financial
Performance

=

Business Growth + Future readiness



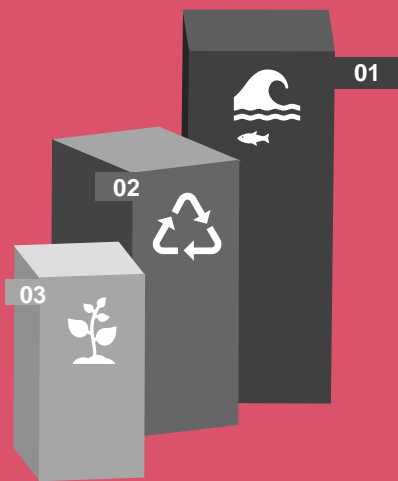
Introduction

Sustainability isn't about ticking a box; it's about facilitating continuous positive difference

Sustainable practices are key to economic resilience and prosperity. We partner with businesses to deliver strategic outcomes, leveraging PwC's global network and deep expertise.

In today's rapidly evolving business landscape, sustainability has emerged as a critical driver of long-term success.

The global shift towards a low-carbon economy is gaining momentum, driven by increasing demand for climate-friendly products and services. PwC is at the forefront, supporting clients in their transition to a sustainable, low-carbon future through:



01

Blue economy: Ensuring the sustainable management of maritime activities for economic development and diversification. Nigeria's untapped blue economy potential is estimated to be valued at \$296 billion.

02

Circular Economy: is crucial to the nation as it can lead to improved resource management, economic growth, and a reduction in the environmental impact of public services. This economy supports emergence of social-enterprises. Circularity also forms strategic climate adaptation and climate-resilience initiatives.

03

Green Economy: focuses on the alignment of national commitments with addressing climate change and environmental sustainability, as well as opportunities around energy and agriculture, including driving the use of climate smart technology such as solar products and energy transition products such as gas etc.

At PwC, we have a dedicated ESG, Sustainability & Climate Change team offering holistic sustainability solutions that are strategically aligned with client needs and deliver sustained results. **We uniquely employ a multidisciplinary approach to delivering sustainability services with expertise across Deals, Tax, Consulting and Risk Services, and Assurance.**

We support our clients to be forward-thinking, and take progressive measures to address these core areas:

1

Climate Change

2

Sustainable Finance

3

Reporting and Assurance

4

Risk and Resilience

5

Strategy and Transformation

6

Energy Transition Plans & Policies

Introduction

Why PwC?

At PwC, we walk the talk both globally and locally, showcasing our commitment to sustainability in everything we do. We help you create a tailored, transparent story of your progress, leveraging the latest thinking and measures against your ESG goals. By enhancing and aligning your processes, systems, and controls, we unlock better performance and deliver sustained results.

Our commitment to global goals

To support our commitment to delivering sustained outcomes, PwC is dedicated to achieving a global transition to net zero. We have made a worldwide commitment to reach net zero GHG emissions by 2030 goals. Our near-term targets have been independently validated by the SBTi and are aligned with a pathway for limiting global warming to 1.5 degrees.

 **Rated A- by the Carbon Disclosure Project for the PwC network's environmental performance as at 2023**



Reduce our emissions from electricity, heat, buildings & car fleets by 50%



Moved from the traditional paper business card to a smart bamboo card



Reduce our business travel emissions by 50%

Creating sustainable impact in our communities

As part of building trust in the society, we support social change through targeted initiatives and partnerships with like-minded organisations. Such initiatives include the PwC/UNICEF-Gen U global partnership, Chess4Change, National U-17 Cricket Championship, 5 for 5 Charity Walk, School Leaders and Teachers Conference, Diversity Inclusion Hackathon, Youth of Enterprise (YOE) Programme, and Entrepreneurship Jobs for All (E-Jbos4All) trainings.

The standards for our professional conduct are guided by our values



Act with Integrity



Make a difference



Care



Work together



Reimagine the possible

Snapshot of Our Capabilities

ESG, Sustainability and Climate Change Services

By combining our deep local expertise with global sustainability specialists, and leveraging advanced technology and data insights, we can identify the most effective climate actions to maximise value, helping businesses achieve their strategic ESG goals.

1	Sustainable Finance advisory	We provide technical support on sustainable finance, including sustainability-linked, green and social bonds; we also offer ESG-related M&A services, and ESG –related IPO services.
2	Sustainability Regulatory reporting services	Our team ensures clients' compliance with regulatory requirements of the CSRD, IFRS ISSB, EUDR & CBAM. We provide accurate data collection, expert guidance on emissions data, thorough analysis, and professional report preparation.
3	Other Voluntary Sustainability (ESG) Reporting	We develop sustainability reports to help organisations effectively communicate their environmental, social, and governance efforts that complies with voluntary global reporting standards such as SDGs,
4	ESG Strategy and Transformation	We support clients to integrate sustainability into their corporate strategy, developing and implementing plans that align with relevant frameworks and guidelines. Driving data management and digitalisation.
5	IFRS ISSB Readiness Support	We provide IFRS ISSB readiness support, including gap assessment, in line with the mandates of FRC.
6	Climate Change adaptation & Resilience Support Services	We provide climate change adaptation & resilience support services such as climate risk assessment, climate-related risks scenario analysis services and Climate Adaptation Research Projects.
7	ESG Due Diligence	We conduct due diligence on sustainability projects and initiatives against relevant standards & frameworks, quality parameters, and global best practices.
8	Sustainable Value Chain Advisory	We support our clients with strategic guidance relating to sustainable supply chain, circular, green, and blue economy, sustainable products & services innovation. This include advisory on green jobs created along organisations value chains.
9	Sustainability (ESG) Capacity Building and Board Upskilling Support Services	We develop and facilitate tailored trainings and workshops on sustainability-related matters, including equipping board members with skills needed to make informed decisions that align with ESG principles.
10	GHG Data and Technology Support Services for Reporting & Assurance	We support our clients with GHG Inventory development, reporting & documentation, quality assurance, emission monitoring methodology plan, and technology solutions related to GHG data.
11	Impact Assessment and Other Sustainability-Related Feasibility Studies	We conduct environmental, economic and social impacts assessments as well as related feasibility analyses to evaluate the potential impacts and viability of business investments, projects and operations.

Snapshot of Our Capabilities

12	Sustainability-Related Feasibility Studies for Circular, Green and Blue economy	We conduct feasibility analyses to evaluate the potential sustainability & Climate-related impacts and viability of business investments, projects and operations on waste management, alternative energy sources and coastal operations.
13	Carbon Credit Eligibility Services	We assess if an organisation's activities or projects align with established standards to receive carbon credits. We also identify and advise on projects that can generate carbon credits.
14	Sustainable Finance Readiness Assessment and MRV Services	We evaluate if a business or financial institution is prepared to incorporate sustainability processes into its financial operations, and provide verification, reporting and compliance services.
15	Sustainability (ESG) Assurance including ESG-related AUP services	We provide sustainability assurance and other Agreed Upon Procedures (AUP) services to ensure transparency, accuracy and credibility of reported sustainability data.
16	Stakeholder Awareness and Interactive Workshops	We offer contextual guidance through engagement and direct communication with stakeholders to drive awareness and support addressing sustainability-related issues peculiar to the organisation.
17	Occupational Health, Safety and Environment (OHSE) Services	We work with specialists certified in ISO 45001 (Occupational Health & Safety Management Systems) and ISO 14001 (Environmental Management System) to ensure our clients comply with local and international OHSE management standards and frameworks.
18	ESG-related P4R Implementation and Verification Support	We support our clients to design, implement, monitor, and verify ESG-related programs and results.
19	Just Energy Transition and Decarbonisation Advisory and Support Services	We provide advisory services to our clients on their just energy transition, covering opportunities and implications of the energy transition such as net zero transformation, carbon accounting, carbon footprint assessment, GHG emission reduction strategy & energy demand assessment.
20	Our combined comprehensive ESG Tax Advisory Services	<p>We provide a holistic approach in supporting our clients' transition to a low-carbon economy through carbon tax and pricing assessments, and tax-related sustainability services.</p> <p>We also develop tax and incentive models for sustainable portfolio investments and finance restructuring in collaboration with tax specialists.</p>
21	EQUAL – SALARY On-site Verification Services	We conduct on-site verification in line with international quality management standards to assess management's commitment to equal pay, its integration into strategies within HR processes and employee perception.
22	ESG Risk Management Support Services	We support clients to integrate ESG considerations into their enterprise risk management procedures and overall corporate operations, inclusive of scenario modelling and stress testing with regards to climate-related risks.

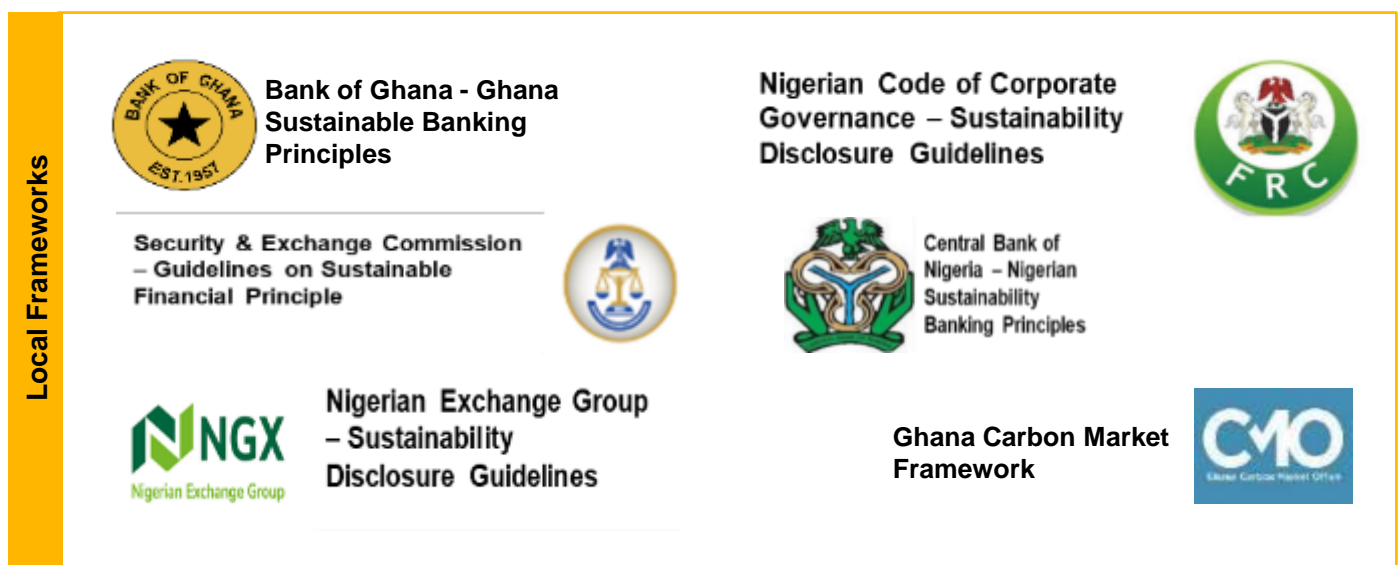
Snapshot of Our Capabilities

Selected Sustainability Standards, Frameworks, and Guidelines

- There are over 600 sustainability-linked standards in the world
- Working across different sustainability needs can be daunting.
- We have got your back!

Governments, corporations and individuals are paying more attention to **sustainability as emerging regulatory requirements are scaled to ensure compliance** and to help identify opportunities.

These regulations also aim to mitigate sustainability-related risks by encouraging accountability, transparency and economic resilience.





Snapshot of Our Capabilities

Our Proven Track Record

The growing acknowledgement of sustainability risks and opportunities over the years have led to a global call for increased investments in sustainable activities.

We pioneered supporting clients in their sustainability journeys amongst the BIG 4 consulting firms in West Africa and continue to lead in the sustainability market as we support different clients at various stages of their journeys including new entrants.

ISSB S1 & S2 Gap Assessment, Capacity Building and ISSB Sustainability Reporting Client's Core Business – Financial Services		
Assurance of Sustainability Report Client's Core Business – Building & Construction	ESG Gap Assessment Client's Core Business – Financial Services	
Integrated Sustainability Reporting and ESG Board Training Client's Core Business – Financial Services	Socio-Economic Impact Assessment Programme & Initiatives Client's Core Business – Public Sector	ESG/Sustainability Business Transformation Support (ESG/Sustainability Strategy to Reporting) Client's Core Business – FMCG, Agriculture
ESG/ Sustainability Strategy Development Client's Core Business – Oil and Gas, FMCG & Infrastructure	Sustainability Reporting Client's Core Business – Oil and Gas, Power & Infrastructure	Green Bond Framework Development Client's Core Business – Public Sector

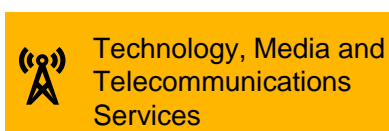
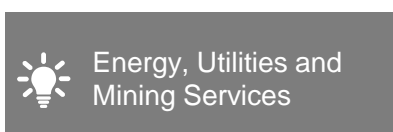
Our Sustainability Academy

At PwC, we recognise the need to provide a capacity building platform to bridge the knowledge gap on sustainability-related matters and how they impact businesses.

Our Sustainability Academy aims to deepen the understanding of sustainability, enhance professional capabilities, and empower leaders to effect sustainable change within their organisations and communities.

By promoting long-term sustainable practices, the academy equips individuals and organisations to address future sustainability challenges, thereby enhancing long-term environmental, social, and economic resilience.

Core Industries



Frequently Asked Questions (FAQs)

What are some of the common strategic questions clients ask our ESG, Sustainability, and Climate Change team about the services we provide?

1

What effective methods do you use for engaging employees in sustainable practices?



One way we engage employees is through training sessions. Through these sessions, employees learn about the company's sustainability goals and understand their responsibilities in supporting these objectives.

2

What are some common challenges companies face in implementing ESG strategies?



Common challenges includes skill gaps, internal resistance, resource constraints, regulatory complexity, and keeping pace with evolving trends. Addressing these requires leadership commitment, stakeholder involvement, and a strategic, long-term perspective.

3

What standards impact sustainability-related reporting locally?



Companies in Nigeria are subject to various sustainability standards including ISSB standards (starting with the S1 and S2), GRI standards, Nigerian Sustainable Banking Principles, SEC's Guidelines on Sustainable Financial Principle, Nigerian Code of Corporate Governance, NGX's Sustainable Disclosure Guidelines. Some global regulations such as EUDR, CBAM, FSC, CSRD may also apply.

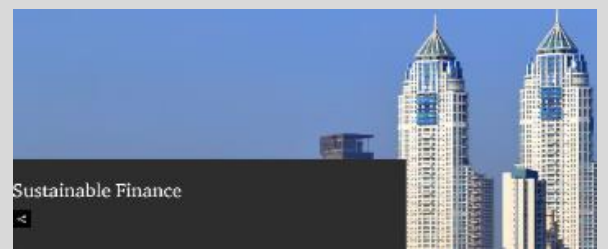
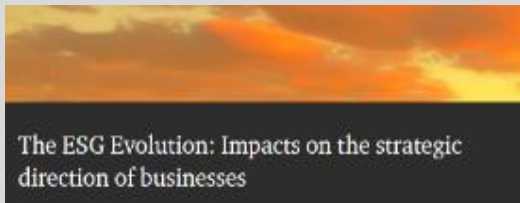


Want to share feedback, comments, or ask additional questions?

Should you have any further inquiries, please don not hesitate to contact us; we're here to support you. You can join the conversation on our podcast, and refer to our [website](#) for further information.

Thought Leadership

At PwC, we are committed to staying ahead of market trends to create and share valuable insights. Our thought leadership resources are designed to guide and support you on your sustainability journey.



Contact us to learn more about how we can support you



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Staying the course on your sustainability journey will require the support of skilled professionals. We have a one Africa approach to give a holistic, contextual and value driven support.

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Thank You

