



# Environmental, Social, and Governance (ESG) Services

Sustainability has become a strategic priority for organizations aiming to create long-term value and build resilience in a rapidly changing global landscape.

Integrating Environmental, Social, and Governance (ESG) principles into business strategy enables companies to align with stakeholder expectations, manage emerging risks, and capture new growth opportunities.

At BDO, we recognize that each organization's ESG journey is unique. Our approach is collaborative, pragmatic, and impact-driven - helping clients identify priorities, measure performance, and embed sustainability into their operations and decision-making processes. Whether you are developing your ESG framework or enhancing existing initiatives, we provide the insight and structure needed to navigate complexity with clarity and confidence.

We combine global best practices with local expertise to support clients in achieving transparency, accountability, and measurable outcomes that enhance reputation, attract investment, and build trust.



# ESG Strategy and Roadmap

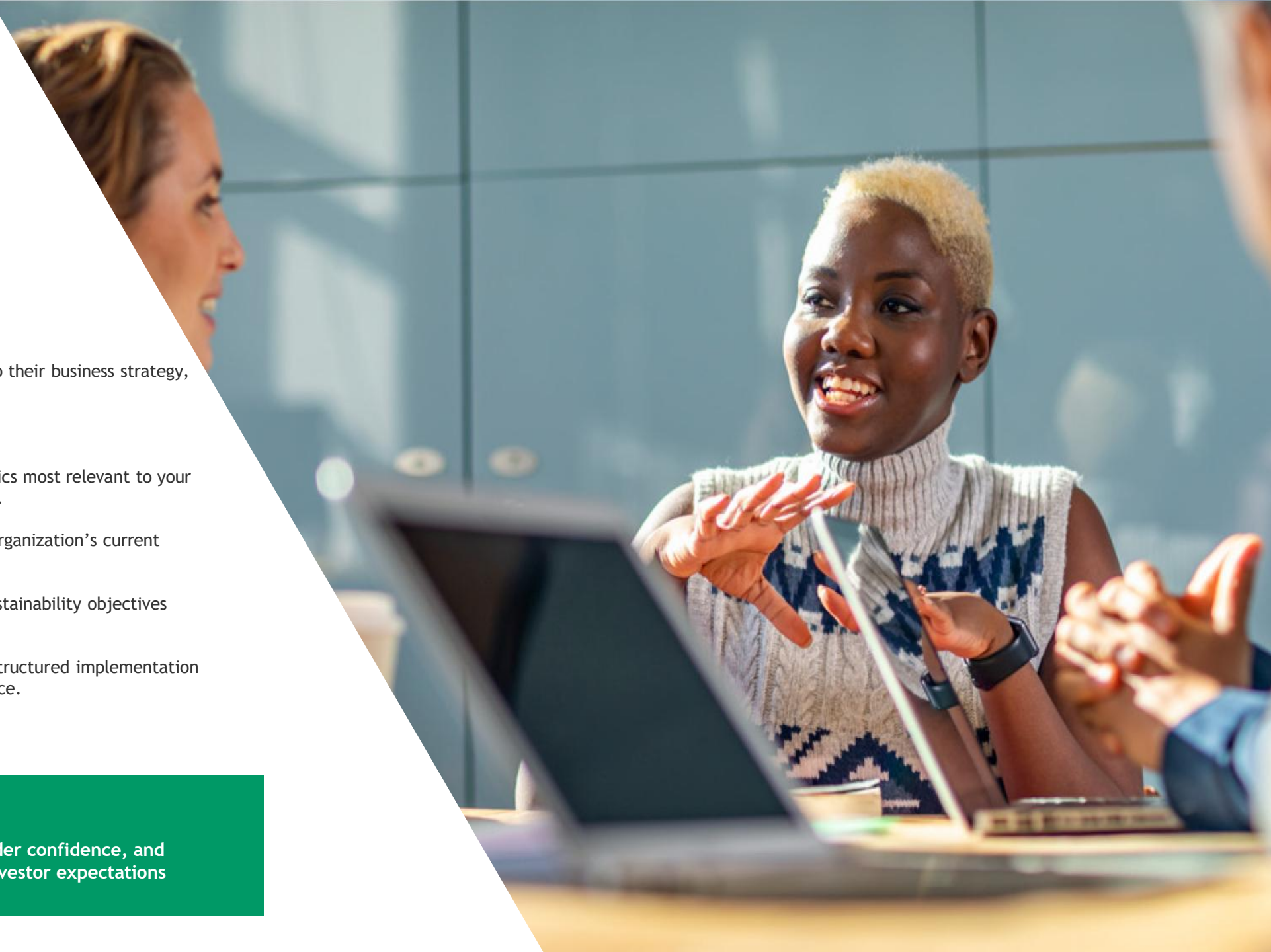
We help Organisations embed sustainability into their business strategy, governance, and operations.

Our services include:

- **Materiality Assessment:** Identify the ESG topics most relevant to your business, stakeholders, and industry context.
- **ESG Maturity Benchmarking:** Evaluate your organization's current position against global peers.
- **Goal Setting and KPIs:** Define measurable sustainability objectives aligned to long-term business value.
- **Strategic Roadmap Development:** Create a structured implementation plan linking ESG goals to business performance.

## VALUE TO CLIENTS:

Clear ESG direction, improved stakeholder confidence, and readiness for evolving regulatory and investor expectations



# ESG Reporting and Disclosures

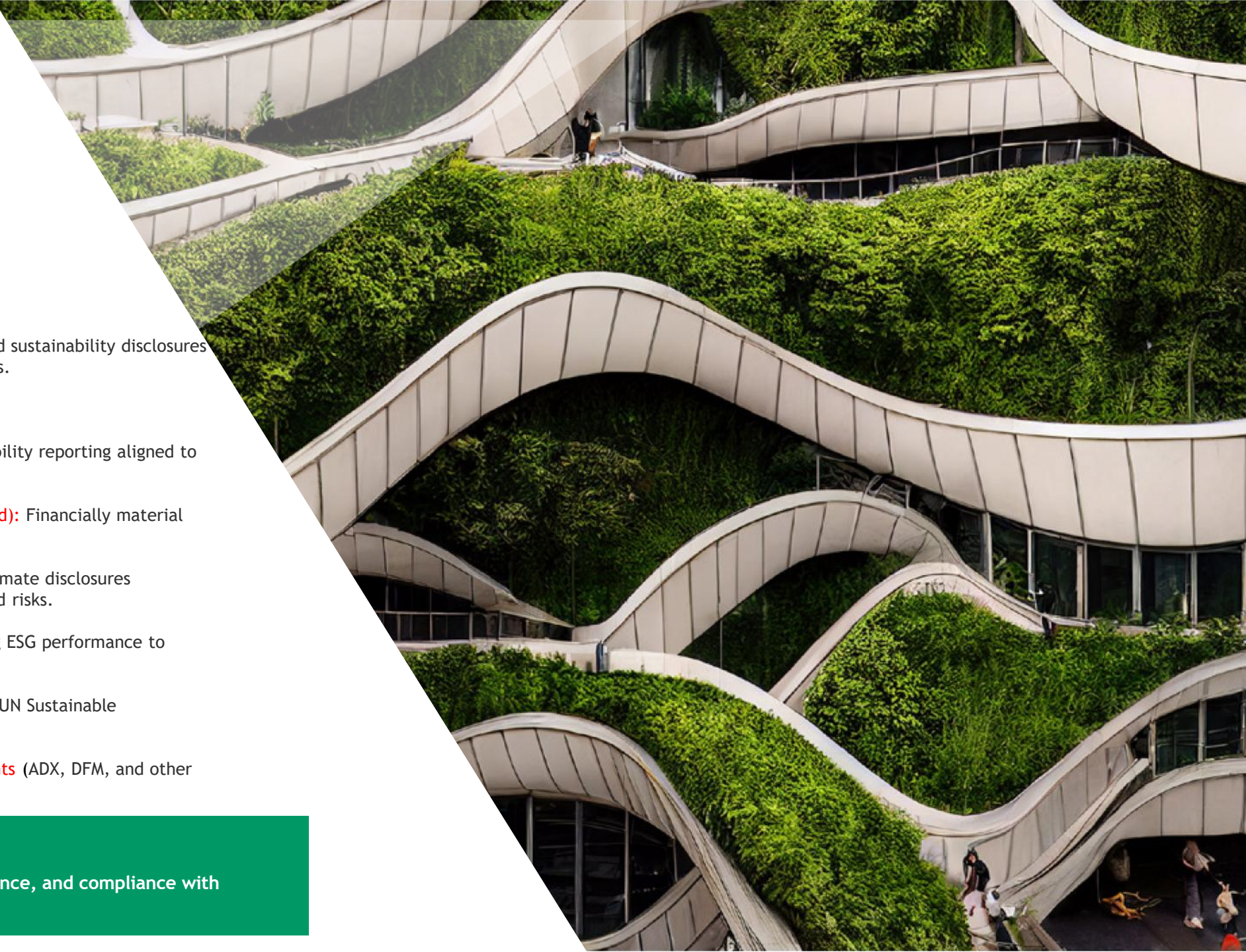
We assist clients in producing high-quality ESG and sustainability disclosures that meet global standards and local requirements.

Our expertise covers:

- **GRI (Global Reporting Initiative):** Full sustainability reporting aligned to universal, topic, and sector-specific standards.
- **SASB (Sustainability Accounting Standards Board):** Financially material ESG disclosures tailored to your industry.
- **IFRS S1 & S2 (ISSB):** Integrated financial and climate disclosures providing transparency on sustainability-related risks.
- **IIRC (Integrated Reporting Framework):** Linking ESG performance to value creation and strategic priorities.
- **UN SDGs Mapping:** Aligning initiatives with the UN Sustainable Development Goals.
- **Disclosures against Stock Exchange Requirements** (ADX, DFM, and other regulators such as ADGM)

## VALUE TO CLIENTS:

Enhanced transparency, investor confidence, and compliance with emerging ESG disclosure regulations.





# ESG Assurance

- Internal Audits on ESG to prepare for external third-party assurance and audits.
- Limited and Reasonable Assurance Engagements on ESG and sustainability reports.
- Verification of GHG Emissions and other environmental metrics.
- Data Accuracy and Control Testing across ESG information systems.
- Regulatory Assurance on disclosures aligned with IFRS S2, TCFD, GRI and local mandates.
- Pre-Assurance Reviews: Gap analysis and readiness assessments before external audits.

## VALUE TO CLIENTS:

Strengthened stakeholder confidence, enhanced reporting credibility, and readiness for evolving assurance regulations.

# ESG Performance Improvement

Our team supports clients in achieving measurable improvements in ESG performance and external ratings.

This includes:

- **Gap Analysis & Action Planning:** Identify performance gaps across governance, environmental, and social parameters.
- **ESG Rating Enhancement:** Improve scores with DJSI, MSCI, FTSE Russell, and CDP through targeted interventions.
- **Internal Governance Strengthening:** Develop ESG committees, policies, and reporting structures.
- **KPI Tracking Frameworks:** Establish ESG metrics that can be monitored consistently over time.

## VALUE TO CLIENTS:

Enhanced ESG rankings, improved stakeholder relations, and stronger internal accountability.



# Climate Services

We help clients prepare for and manage the impacts of climate change on their operations, assets, and value chains.

Our services include:

- **GHG Emissions Inventory:** Scope 1, 2, and 3 measurements using internationally accepted methodologies (GHG Protocol, ISO 14064).
- **Decarbonisation & Net-Zero Pathways:** Science-based target setting and emissions reduction strategies.
- **Climate Risk Assessment and Scenario Analysis:** Use tools and scenarios by IPCC, NGFS, etc., and help companies identify physical and transition risks to initiate mitigation strategy.
- **Carbon Offset and Renewable Energy Strategy:** Identify credible offset and renewable investment options.

## VALUE TO CLIENTS:

Reduced environmental impact, improved operational efficiency, and resilience to climate-related risks.



# Sustainable Finance

We advise clients on mobilising capital towards sustainability-linked opportunities and managing ESG-related risks in finance.

Our capabilities include:

- **Sustainable Finance Frameworks:** Development of ESG-aligned financing frameworks consistent with ICMA Green, Social, and Sustainability Bond Principles.
- **ESG Integration in Investment Decisions:** Embedding ESG factors into lending, underwriting, and asset management processes.
- **Impact Measurement:** Post Issuance reports and assurance on the impact and use of proceeds, including reporting aggregated impact metrics and alignment with UN SDGs.
- **Second Party Opinion (SPO) and Assurance on Sustainable Finance Framework:** SPO and Assurance in line with the ICMA Green, Social and Sustainability Bond Principles on sustainable finance frameworks (SFF).

## VALUE TO CLIENTS:

Access to sustainable capital markets and enhanced investor alignment.



# Sustainable Supply Chain

We work with organizations to integrate sustainability principles into their procurement, logistics, and supplier engagement practices.

Our services include:

- **Supplier ESG Risk Assessment and audits:** Screening and classifying suppliers based on sustainability performance.
- **Sustainable Procurement Policy Development:** Incorporating ESG criteria into sourcing and vendor management.
- **Supply Chain Transparency & Traceability:** Building visibility into environmental and social practices.
- **Supplier Capacity Building:** Training vendors to improve ESG performance and compliance.

## VALUE TO CLIENTS:

Resilient supply chains, compliance with ESG expectations, and improved brand integrity.



# Capacity Building & Awareness

We enable organizations to develop the skills, culture, and leadership necessary to embed ESG at all levels. Our programs include:

- **Board-Level ESG Awareness Sessions:** Focusing on governance, fiduciary responsibility, and stakeholder expectations.
- **Functional Training:** Targeted ESG learning for sustainability, finance, operations, and HR teams.
- **Stakeholder Workshops:** Engaging internal and external stakeholders to build alignment.
- **ESG Culture Development:** Embedding sustainability principles across the organization's values and decision-making.

## VALUE TO CLIENTS:

Enhanced capability, accountability, and long-term organizational resilience.



# Sector-Specific Solutions

# Banking and Financial Services

The global shift toward sustainable finance is redefining how banks and insurers operate. Over 90% of global financial institutions now disclose ESG performance, and green bond issuance exceeded USD 670 billion in 2024 (, on the similar trajectory for 2025). Regulators in the GCC, including the CBUAE and ADGM, are aligning disclosure frameworks with international standards.

## Key Challenges:

- Integrating climate and ESG risks into financial decision-making.
- Managing regulatory pressure for transparent disclosures.
- Aligning portfolios with sustainable finance taxonomies.

## BDO's Expertise:

- Sustainable finance frameworks and taxonomy alignment.
- ESG risk modelling and stress testing.
- Disclosure support aligned with IFRS S1 and S2.
- Second Party Opinion and Assurance of Sustainable Finance Framework.

## OUTCOMES:

Increased investor confidence, enhanced creditworthiness, and leadership in sustainable finance.





# Real Estate & Construction

The built environment contributes nearly 40% of global carbon emissions. Investors and tenants are demanding sustainable, efficient, and resilient properties. In the UAE, Estidama and LEED frameworks are now central to project approvals and financing.

## Key Challenges:

- Reducing embodied and operational carbon.
- Managing supply chain sustainability and material traceability.
- Balancing cost efficiency with environmental performance.

## BDO's Expertise:

- ESG integration in construction and asset management.
- Energy efficiency and carbon footprint assessments.
- Health, safety, and community impact frameworks.
- ESG reporting for REITs and developers.

## OUTCOMES:

Improved asset value, reduced operating costs, and enhanced compliance with sustainable finance criteria.

# Energy, Resources & Utilities

The global energy sector faces mounting pressure to decarbonise, with over 70 countries committing to net-zero targets and global clean energy investments exceeding USD 1.8 trillion in 2024. GCC energy companies are leading regional renewable initiatives and carbon capture projects.

## Key Challenges:

- Transitioning to low-carbon operations while maintaining profitability.
- Reporting emissions and climate risks transparently.
- Managing community and biodiversity impacts.

## BDO's Expertise:

- Net-zero transition and scenario planning.
- Climate risk assessments.
- Renewable and clean energy project advisory.
- ESG assurance for emissions and sustainability disclosures.
- Social and environmental impact assessments.

## OUTCOMES:

Enhanced resilience, global investor alignment, and measurable emissions reduction.



# Manufacturing & Industrial



Manufacturing accounts for over 20% of global CO<sub>2</sub> emissions and faces increasing expectations from regulators and global buyers for traceable, ethical, and low-impact production. ESG performance is now directly tied to export competitiveness and financing eligibility.

## Key Challenges:

- Decarbonizing operations and improving energy efficiency.
- Ensuring responsible sourcing and supply chain transparency.
- Meeting ESG reporting expectations across multiple jurisdictions.

## BDO's Expertise:

- Resource and energy audits and optimization programs.
- Circular economy strategies and waste reduction.
- Worker welfare, diversity, and safety audits.
- Life cycle analysis (LCA) and sustainability reporting.
- ESG performance benchmarking and assurance.

## OUTCOMES:

Cost efficiency, improved ESG ratings, and alignment with global supply chain standards.

# Key Differentiators

**Integrated Approach:** Combining ESG strategy, reporting, assurance, and finance expertise.

**Global Standards:** Deep understanding of leading ESG frameworks and disclosure requirements.

**Practical Implementation:** Focused on measurable, action-oriented outcomes.

**Regional Insight:** Local experience enhanced by BDO's international network.

**Collaborative Partnership:** We work with clients to create sustainable impact.

We help clients design impact measurement and management frameworks that demonstrate the tangible outcomes of ESG initiatives through KPIs, SDG alignment, and assurance-backed data.

## WHY US

At BDO, we combine global ESG expertise with local insight to help organizations turn sustainability into measurable value. Our multidisciplinary teams of ESG strategists, sustainability professionals, financial experts, and assurance specialists work closely with clients to deliver pragmatic, outcome-driven solutions.

## WHAT SETS US APART:

- **Global Perspective, Local Expertise:** Access to BDO's global ESG network spanning 160+ countries, with on-ground experience in the GCC regulatory and business landscape.
- **End-to-End ESG Capability:** From strategy design to implementation, reporting, and assurance – we deliver comprehensive ESG support under one roof.
- **Alignment with Global Frameworks:** Deep knowledge of leading standards, including GRI, SASB, and IFRS S1/S2.
- **Independent and Objective Assurance:** Trusted verification of ESG disclosures to enhance credibility with investors and regulators.
- **Industry-Specific Knowledge:** Sector-focused approaches tailored for BFSI, Real Estate, Energy, and Manufacturing.
- **Practical, Action-Oriented Approach:** We focus on building achievable, measurable, and sustainable outcomes – not just compliance, but long-term value creation

At BDO, we don't just help clients report sustainability – we help them lead it.



# ESG and Sustainability Team



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