



# A MANAGER'S GUIDE TO CORPORATE CLIMATE ADAPTATION

Climate protection and sustainability measures should be sensibly integrated into the value chain and operational processes to:

- ✓ minimize risks and costs,
- ✓ protect and maximize competitive advantages, sales and margins, and
- ✓ make a significant and relevant contribution to climate protection.



Each company must develop an individualized approach. However, in our experience, many MzN International mandates are based on three steps:

- 1 **Analysis of climate risks and opportunities** within the company and along the supply chain.
- 2 Management and continuous **reduction of emissions** and annual monitoring and **reduction of supply chain risks**.
- 3 Annual reporting in accordance with current and forthcoming legislation on **non-financial annual reporting**, and **open and honest public relations**. If necessary, assistance with quarterly reporting to investors.



## Where do we start?

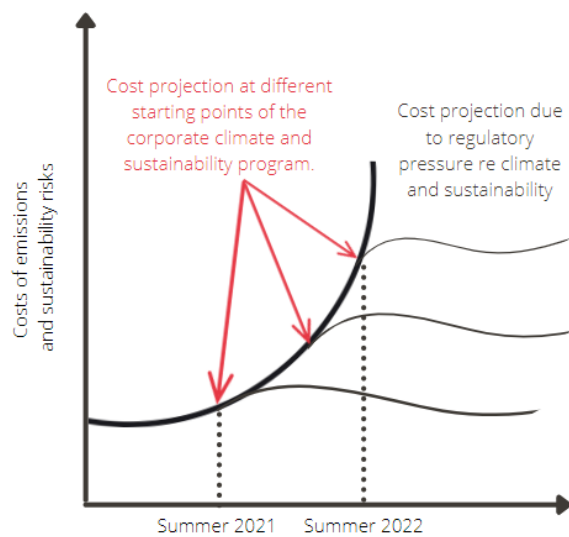


- 1 First, conduct a **basic analysis of all climate factors within the company and in the operating environment**. This analysis should identify the climate and sustainability relevance, cost and revenue enhancement potential, and key strategic factors.
- 2 Secondly, **create a priority list** stating where, when and in which area the climate and sustainability risks (and thus cost-saving potential) are highest.
- 3 Third, **take action**. Many action steps will likely fall in one or more of these categories:
  - Reduce and avoid environmental risks
  - Reduce costs
  - Protect and increase sales and margins
  - Reporting and public relations

## When should we act?

Like any investment, **the earlier you start, the more profitable it will be**. Acting too late can only be corrected by large-scale restructuring, which will be considerably more expensive.

By the fall or winter of 2021, at the latest, experts expect the next wave of regulations to be introduced.



## What are the costs and benefits?



Experience shows that **the investment pays off in the second year** when risks and costs have been reduced to such an extent that they significantly exceed the costs of the analysis. From the third year onwards, with consistent management, the competitive advantage and attractiveness for investors can be measured.

**In short, the later you start investing in sustainability, the more expensive it becomes.**

## Beyond the cost-benefit analysis

Climate protection and sustainability make good business sense and should therefore be on every leader's agenda. Beyond that, however, the non-operational reasons are more important and the consequences of environmental apathy more serious. As business leaders, we should be asking ourselves now how we can continue to enable future generations to live on this planet.

**MzN has been working in the field of sustainability and development cooperation for over 10 years. Every day, our partners are in the flooded fields of Bangladesh, the parched fields of Kenya, or working with climate refugees in Latin America. Climate change is certainly happening and we all need to do our part to minimize it.**



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