

A roadmap to the assurance of climate-related financial disclosures

Drivers for assurance

-  Board-level issue, underpinning strategy
-  Greater investor focus
-  Links to external financing arrangements

Considerations for assurance

-  Limited assurance versus reasonable assurance
-  What climate information will be assured
-  What your assurance provider will need

“ 75% of companies have committed to achieving ‘net zero’ targets but only 30% companies had their climate-related metrics assured externally.

Source: UK ESG Corporate Reporting Benchmark Survey Report 2021

Road to assurance

1. Maturity analysis:

When deciding what to disclose it's important to start with a materiality assessment. This will determine which climate metrics and targets are most material to the business and its stakeholders.

3. Establishing necessary controls:

Specify what quality controls are needed to underpin the robustness of data that feeds through to those disclosures.

5. Identifying associated risks:

Address any reporting risks identified, for example inconsistencies across other external reporting/website.

2. Reporting criteria:

As the TCFD is a framework and not a reporting standard, the company needs to set out its own reporting criteria, for example on carbon emissions.

4. Identifying systems & platforms to be used:

Management will need to assess the systems and the platforms being used to prepare and produce the information in the disclosures.

6. Establishing consistency:

Ensure the data being reported is consolidated consistently across the business.

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