



Providing assurance on climate change reporting

This note explores the TCFD requirements and how we can help you to ensure your climate change disclosures are fit for purpose and how it stands within your respective sector and market.



If we are to live in a world where projected global warming is to be kept well below 2°C, then this requires a significant commitment by governments, along with public and private organisations.

In November 2020 the Chancellor announced that the UK will become the first country in the world to make TCFD aligned disclosures fully mandatory across the economy by 2025.

From April 2022 the Companies Act has made TCFD reporting mandatory for the largest traded companies, banks and insurers, as well as private companies with over 500 employees and £500 million in turnover.

As well as those required under regulation, we are seeing many other firms disclose on a voluntary basis.

We want to help firms maximise the benefit of this effort by providing them with assurance that their disclosures show them in the best light as well as meeting any regulatory requirements.



The Task Force on Climate-related Financial Disclosures (TCFD) is a framework to help companies and investors measure, manage, and report their climate-related risk exposures and opportunities in a consistent way



Overview of the disclosures

TCFD covers four key areas: Governance, Strategy, Risk management, and Metrics and targets.

There was a flood of regulation in 2021 and 2022 signalling that this is a key focus for the regulators and highlighting the importance that these disclosures will have going forward.

See our video on '[Preparing TCFD reports](#)' for more detail on content and who has to do what and by when.

Barnett Waddingham has conducted benchmarking exercises of disclosures for many sectors. As an example, you can see our video on '[TCFD disclosures for life insurers](#)'.

Governance

- How the board maintains oversight of climate-related risks and opportunities.
- Roles of those who undertake the assessing and management of climate-related risks and opportunities.

Strategy

- Description of climate-related risks and opportunities identified over the short, medium and long-term.
- Impact of climate-related risks and opportunities on the firm's businesses, strategy and financial planning.
- Resilience of the firm's strategy through scenario analysis including a 2°C or lower scenario.

Risk management

- Process for identifying and managing climate-related risks.
- How this process is integrated into the overall risk management of the firm.

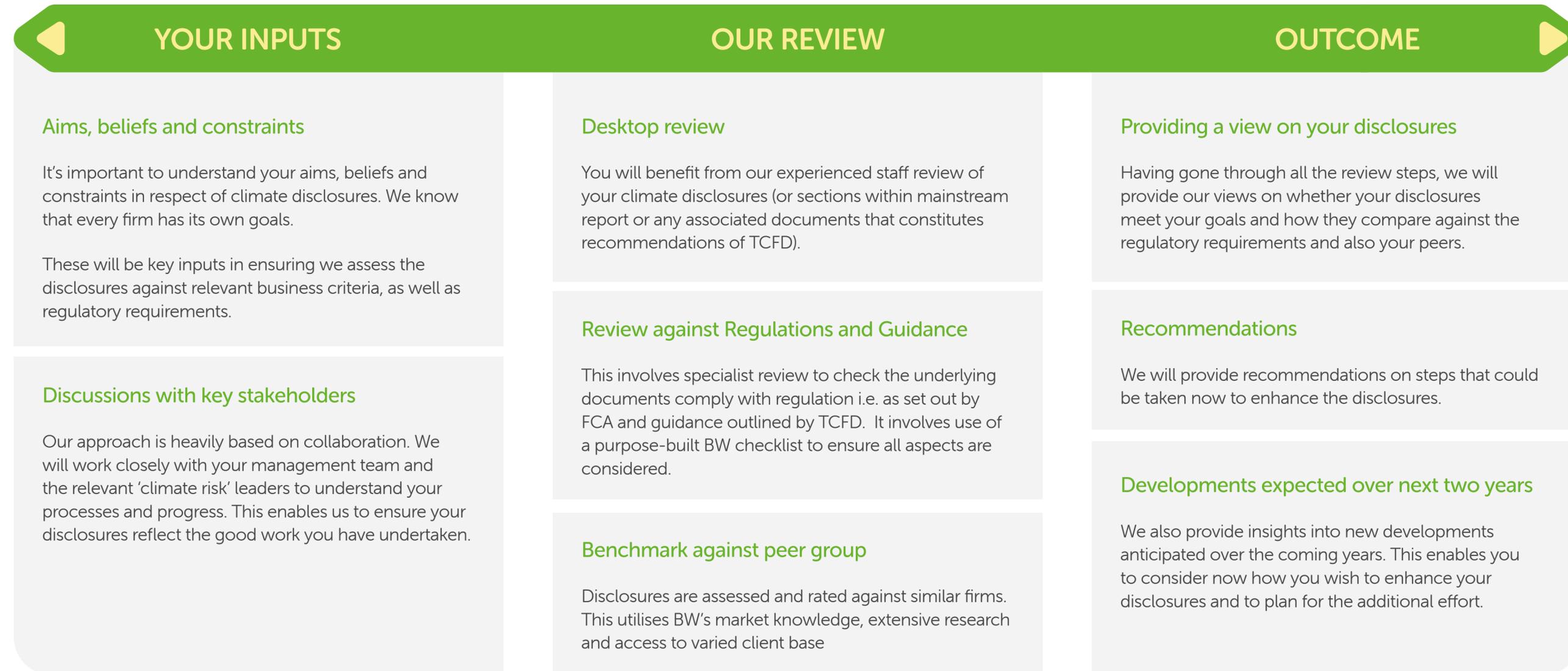
Metrics and targets

- Metrics used to assess climate-related risks and opportunities in line with its strategy and risk management process.
- Disclose direct and indirect emissions of greenhouse gas (GHG) and the related risks.
- Target(s) that have been set and performance of the firm against these targets.



Overview of the disclosures

We are here to help ensure your climate change disclosures are robust, meet your goals and are in line with any regulatory requirements. In order to achieve this, we have developed a clear process of our approach to review and benchmark disclosures. We have categorised the process into three vital steps:





Please contact your Barnett Waddingham consultant if you would like to discuss any of the above topics in more detail. Alternatively get in touch via the following:



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