



KPMG Sustainable Futures



Foreword

The ESG and climate change agenda is now mainstream.

No longer is it considered a corporate social responsibility topic, but rather a strategic commercial issue for Irish businesses.

Social, regulatory and investor pressures mean Irish business will need to respond to ESG (environmental, social and governance) topics to stay relevant and drive long-term shareholder value.

KPMG Sustainable Futures is a dedicated cross-functional team of experts who help corporates and public sector clients respond to the ESG agenda, including decarbonisation and integrated climate and nature transition plan strategies.

The team brings together a wide range of disciplines including sustainability practitioners, economists, engineers, corporate strategists, carbon experts, accountants, academics and financiers to help clients navigate the complex and fast-evolving climate change and ESG agenda.

At KPMG, we believe that organisations that rise to these challenges and show leadership will be rewarded by their stakeholders and gain access to new opportunities. Those businesses that fail to act may put their margins and even business models at risk.

Whether your organisation is just beginning its sustainability journey, reporting on its progress or financing new initiatives, we have the knowledge and the people to support you.



Russell Smyth
Head of KPMG Sustainable Futures

Our Services



ESG Strategy

Strategising to create and enhance long-term value.

Fully integrated end-to-end approach to define sustainability priorities, focus investment, and engage internal and external stakeholders.

Our experts work with you to identify, develop, embed and report on your strategy to create and enhance long-term value.

How we can help



Sustainability & risk strategy services

- Assess and challenge your overall financial and sustainability ambition.
- Peer benchmarking to understand industry ESG maturity, challenges, and opportunities.
- Identify and prioritise material issues, risks and opportunities – including double materiality, dynamic climate risk mapping, TCFD and CSRD/SFDR alignment.
- Stakeholder engagement – facilitate targeted stakeholder engagement to enhance sustainability strategies and build collaborative partnerships.
- Develop a sustainable growth strategy – encompassing transition planning for environmental, social and governance criteria, ensuring resilience and delivering long-term economic growth.

Planning & implementation

- Plan and implement your strategy – delivering lasting change management programmes utilising operational efficiencies that ensure organisational alignment with long term objectives and ambitions.
- Review and design your best-in-class sustainability roadmap – covering governance structures, policies, targets, processes, KPIs, due diligence and reporting frameworks.
- Communicate your sustainability vision and strategy – ensuring internal buy-in and external recognition among investors, customers, suppliers and communities.

How we can help



Carbon emissions measurement and baselining

- Baseline your carbon emissions (Scope 1, 2 and 3 carbon emissions) and understand the most carbon-intensive activities or 'hotspots' across your operations and whole value chain.
- Measure and track your annual carbon emissions.

Target setting

- Support decision making in setting of an ambitious and achievable carbon reduction target, aligning with the latest science, whilst meeting the expectations of your stakeholders.

Strategy & Implementation

- Develop a robust, ambitious and operational decarbonisation strategy, including identification of decarbonisation solutions, energy efficiency interventions and preparation of roadmap, setting out your carbon reduction pathway.
- Understand the decarbonisation and energy policies, targets and supports on the Island of Ireland and at a European level.
- Understand the decarbonisation and energy regulatory and market landscapes and how they impact you, now and in the future.
- Develop a renewable energy procurement strategy to source your electrical (Power Purchase Agreement) or thermal energy (Gas Purchase Agreement) from renewable sources.
- Understand the opportunities presented by an accelerated transition to net zero carbon emissions.



Decarbonisation & Energy Advisory

Understanding your organisation's carbon footprint alongside your current and future energy needs consumption to drive development of your decarbonisation strategy.

Preparing and supporting your organisation to measure, manage and reduce your carbon emissions and optimise your energy use to setting you on your a pathway to net zero.

We support medium to large organisations to develop and implement their decarbonisation strategies. We have expertise in assessing the carbon footprint and energy needs of large organisations, identifying relevant levers, interventions, and solutions to decarbonise your business.



ESG Deal Advisory & Renewables M&A

Taking account of ESG considerations when making investment decisions, as well as offering a full suite of deal advisory services relating to renewable energy.

Enabling integration of ESG in investment strategies and processes.

Our team supports clients in developing models, products and deals that enable funding and help manage ESG opportunities and risks and achieve sustainable outcomes.

We also advise project owners, investors and funders in relation to all aspects of funding and M&A options along the project lifecycle – from conception and development stage assets, to fully operational assets.

How we can help



Deal advisory

- Develop and implement your strategy and review proposed investments from a sustainability perspective.
- Assess green options for your investments or fund raising, such as green bonds and sustainability-linked loans.
- ESG due diligence and valuations.

M&A advisory

- We are the most active M&A advisor to the low carbon sector in Ireland, having advised on over €3b of Irish renewable and low carbon deals between 2019 and 2022, including 7GW of operational and development renewables.

Debt advisory and refinancing

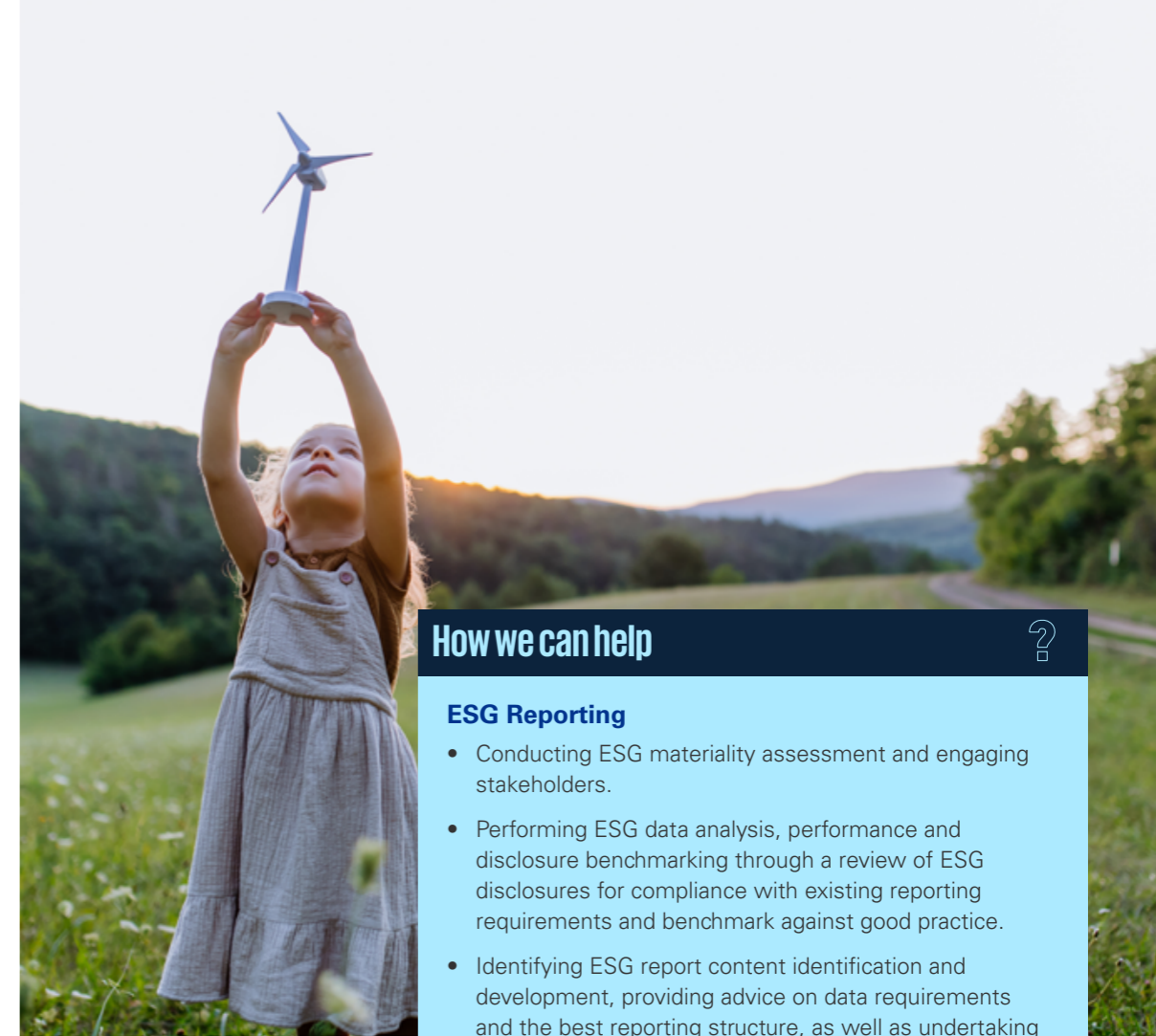
- We have unparalleled experience in negotiating some of the most complex debt restructuring deals in the Irish and international market for renewable energy projects and energy companies.

Equity fundraising

- We support companies that are seeking to raise equity for M&A or other transactions, such as sourcing of development or construction capital for a project, the buyout of minority shareholders, or to release cash to founders.

Valuations

- Our valuations team offers technically sound, commercially focused, independent valuations for specific client needs while incorporating an ESG lens.



How we can help

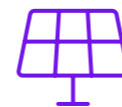


ESG Reporting

- Conducting ESG materiality assessment and engaging stakeholders.
- Performing ESG data analysis, performance and disclosure benchmarking through a review of ESG disclosures for compliance with existing reporting requirements and benchmark against good practice.
- Identifying ESG report content identification and development, providing advice on data requirements and the best reporting structure, as well as undertaking compliance reviews.
- Aligning your ESG reporting with key mandatory and voluntary reporting frameworks. These could include Global Reporting Initiative (GRI) Standards, the EU Taxonomy, Task-force on Climate-related Financial Disclosures (TCFD) Corporate Sustainability Reporting Directive (CSRD) and ESG rating indices.
- Improving the quality and efficiency of ESG non-financial reporting, such as including identifying data requirements, prepare methodology statements and review existing reporting processes to assess assurance readiness.
- Helping you understand the impact of climate change on financial statement disclosures and reviewing your ESG disclosures for compliance with existing reporting requirements and benchmark against good practice.

ESG Assurance

- External assurance opinions: we provide formal opinions over reported ESG metrics and disclosures, which can either be private or made public. The opinions are delivered in accordance with ISAE 3000/3410 to either a limited or reasonable level of assurance.
- Agreed Upon Procedure (AUP): A detailed report of factual findings presenting results of specific testing procedures we have undertaken.
- Assurance Readiness Assessment.



ESG Reporting & Assurance

Advising companies on current and future ESG reporting standards relevant to their business and sector.

We're in the middle of a profound change in the corporate reporting landscape - and our ESG team is ready to help clients rise to the challenges ahead.





How we can help 

The team can support you in a number of ways:

Quantify

- We identify economic, social and environmental impacts of your operations and quantify these, assigning financial values where possible.

Engage

- We can help you to understand wider value creation, including data-driven insights on impacts on people and the environment. Our goal is to provide you with detailed but communications-ready deliverables which you can use to present the value you create for society to any group of stakeholders: government bodies, investors, commercial partners, and the general public.

Report

- Our findings will help to enhance ESG impact reporting by providing a richer view of a company's contribution to society than conventional financial or sustainability reporting alone, while also enabling you to create points-of-difference in the marketplace.



Impact Analysis

Identifying value created for society through economic, social and environmental impacts.

Businesses increasingly need to understand and demonstrate the economic, social, and environmental contributions they make. This requires robust economic analysis, grounded in a deep understanding of the specific issues affecting your business or sector.

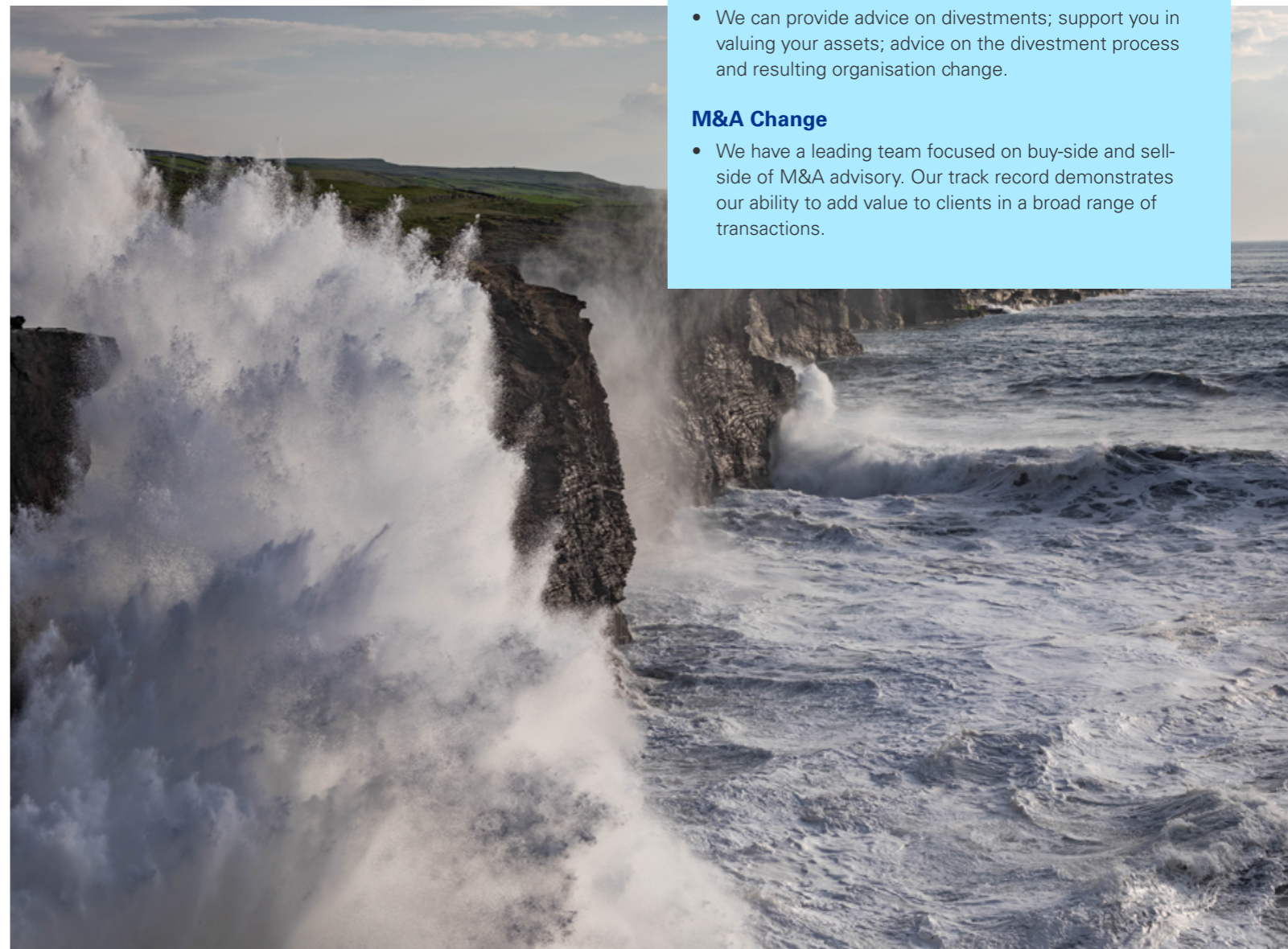


ESG Change Management

Advising companies on all components of organisational change, including structure, governance, people and systems, to fully embed ESG across the business.

At the centre of every Environmental, Social and Governance (ESG) programme is change management.

No matter where you are on your journey, KPMG can support you to develop your ESG Strategy and Change agenda and support you in implementing ESG change within your organisation.



How we can help 

Organisational Change

- We help our clients to develop efficient and effective operations to support strategic business objectives and financial goals such as ESG.

People Change

- We can support you in developing implementation and change management programmes to ensure you bring your people along the ESG journey with you. These services can include behavioural change management; talent management; leadership, culture and inclusion.

Data Infrastructure & IT Systems

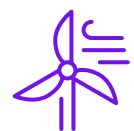
- We can help you with ESG Data Advisory and Governance and support you in ensuring your strategic use of IT and delivery model supports your ESG objectives in the most effective way.

Divestment

- We can provide advice on divestments; support you in valuing your assets; advice on the divestment process and resulting organisation change.

M&A Change

- We have a leading team focused on buy-side and sell-side of M&A advisory. Our track record demonstrates our ability to add value to clients in a broad range of transactions.



Sustainable Finance

Embedding ESG within financial decisions.

Integrating ESG within overall strategy will facilitate a better understanding of climate risk impacts, stress testing and fund designation for financial institutions.

Our team supports providers of sustainable finance looking to mitigate risk and capitalise on opportunities in the low carbon future, along with corporates seeking finance, looking to demonstrate resilience to attract and retain access to finance as the economy transitions away from carbon.

How we can help



Regulation

- We support clients in assessing readiness for and adopting EU Sustainable Finance Regulations – Sustainable Finance Disclosure Regulation, Corporate Sustainability Reporting Directive and EU Taxonomy and broader global frameworks such as Task Force on Climate-related Financial Disclosures.

Strategy

- Climate risk impact identification, quantification, integration and disclosure.
- Prudential climate risk services – stress testing and conduct frameworks.
- Investment strategy development for:
 - Finance sector – Article 8/9 fund designation, stress testing sustainability risk exposures in portfolio and selection of mitigation levers such as decarbonisation.
 - Corporates – determining best fit approaches for allocating capital to sustainable investments, such as setting an internal carbon price.

Deal advisory

- Assess green options for your investments or fund raising, such as green bonds and sustainability-linked loans.
- ESG due diligence and valuations.



Integrated Climate & Nature Transition Planning

Transitioning to a net zero and nature positive economy.

Aligning business models and strategies to science-based pathways and evolving market and regulatory expectations.

Private sector transition plans are an important lever to accelerate action on climate change and the protection and restoration of nature. National governments and supervisory authorities are increasingly expecting large companies to develop and publish science based climate and nature transition plans.



How we can help



Regulation

- Supporting clients in assessing their readiness for Transition Plan regulatory requirements expected under the EU Corporate Sustainability Reporting Directive (ESRS 1 and 4), the UK Sustainability Disclosure Requirements (SDR) and incoming regulations in other jurisdictions.

Strategy, target setting and disclosure

- **Alignment to 1.5C and net zero pathway.** Assessment and development of a client's past, current, and future mitigation efforts to ensure that its strategy and business model(s) are compatible with the transition to a low carbon economy, with limiting global warming to 1.5 °C in line with the Paris Agreement and with the objective of achieving net zero by 2050 at the latest. Assessment and alignment with Ireland's National Climate Action Plan objectives and targets.
- **Alignment for nature positive goals.** Assessment and development of plans to ensure business model(s) and corporate strategy and investments are compatible with the transition to nature positive economy and associated global targets under the Kunming-Montreal Global Biodiversity Framework and under Ireland's National Biodiversity Action Plan.
- **Action plans.** Identification of and implementation strategy for short, medium and long term actions to achieve net zero and nature positive outcomes. Including:
 - **Science Based Targets (SBTs).** Alignment with SBTs for climate (via Science Based Targets Initiative) and where methodologies exist for nature and biodiversity (via Science Based Targets Network).
 - **Risks and Disclosure.** Supporting clients to identify and assess risks, impacts and dependencies and report against TCFD guidance and identify overlaps and ensure readiness for TNFD.

Contact Us

Our multidisciplinary team includes sustainability practitioners, economists, engineers, corporate strategists, accountants and financiers, working together to help clients navigate the complex and fast-evolving climate change and sustainability agenda.



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Produced by: KPMG's Creative Services.
Publication Date: Feb 2025 (11200)