Stakeholders are demanding clear and transparent ESG reporting

Companies are facing increased scrutiny from stakeholders to provide, clear, accurate and reliable data on their environmental performance and progress. The proposed SEC climate disclosure requirements have heightened the need for companies to improve disclosures and reporting. Today, it’s imperative that businesses are comfortable with the accuracy and completeness of their data sources used in ESG metrics and reporting. **This is what their stakeholders now expect.**

### Data is one of key challenges companies face when it comes to ESG reporting.

- Inconsistent data and siloed data sources
- Limited data validations and controls
- Lack of traceability
- Highly manual and inefficient data process
- Inability to produce real-time insights & analytics
- Inability to produce on-time reports

### Improving stakeholder trust

KPMG LLP (KPMG) has developed an approach to addressing these reporting concerns, enabled by Microsoft and Workiva technology. Once configured in the client environment, these reporting and analytical capabilities help clients address their data and reporting challenges and prepare more reliable reports on their ESG and climate performance and progress.

By leveraging Microsoft Azure™ and Microsoft Cloud for Sustainability™ we help clients extract data from multiple sources and integrate it into a centralize hub to gain valuable insight. The configurable reporting capability within Workiva allows streamlining of data processes and production of near real-time regulatory reporting and analytics.

By utilizing Microsoft Azure Data Factory™ and data tagging within Workiva, we help deliver the insights clients need to improve transparency, data control and validation. This differentiated approach from KPMG can help clients deliver strategic decisions, accelerate climate data collection, and improve stakeholder trust.

By leveraging Microsoft Azure and Workiva, KPMG can help you solve your data and reporting challenges:

- Enable "single source of truth"
- Automate data processes
- Implement data governance and controls
- Develop advanced analytics and reporting processes
- Streamline regulatory reporting
Conceptual design

**Extract and ingest**
- Leverage the Microsoft stack to extract, transform, and load ESG data into a centralized location.
- Implement controls and data lineage to increase data quality.

**Validate and remediate**
- Ingest data into Cloud for Sustainability to perform emissions calculations using a robust library of emission factors & calculation models. Gain dynamic insights through modeling and deep analysis tools.

**Centralize and aggregate**
- Map environmental metrics and climate disclosures to source data to drive transparent, audit-ready, and investor-trusted ESG reporting out of Workiva.

**Analyze and report**
- KPMG configures components of Microsoft Cloud for Sustainability within the client’s environment.

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**Data types supported**
- Emissions data (Scope 1, 2, & 3)
- Enterprise data
- Asset data (Facilities, organization hierarchy)
- 3rd party data (Emission factors)
- And more

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**Microsoft Azure**
- Azure Blob Storage
- Power Apps
- Azure SQL Server Database
- Azure Data Factory
- Power Automate

**Workiva**
- Emissions calculations
- Scenario & predictive modeling
- Deep analysis and score cards

**Microsoft Cloud for Sustainability**
- Emission factor library
- Trend analyses
- Calculation models

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**Regulatory reporting frameworks**
- Governance, risk and controls
- Financial reporting

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Analytics and reporting enabled by Microsoft Azure and Workiva

Dashboards and analytics
Users have an array of dynamic insights and drilldowns to choose from to analyze, research and trace detailed data attributes back to source applications. Key features include:

- Set up facility-level drilldowns across domains to enable granular analysis and help build confidence in reported numbers.
- Enable predictive modeling and progress tracking through deep analysis and score card tools to track progress over ESG goals.
- Ability to customize dashboards and embed them in the Cloud for Sustainability to provide flexibility for a user’s specific needs.

Financial and ESG reporting
Emissions data is ingested into Workiva where users have a library of industry frameworks to streamline reporting processes. Key features include:

- Digital repository of industry frameworks (i.e. SASB, TCFD, GRI, etc.) to streamline report creation.
- Tagging capability to trace data from ingestion to final report for increased transparency and control.
- Core collaboration hub to streamline the creation of externally facing sustainability reports.

Key features

Automated data management
Reduce time lags between record to report enabling on-time reporting and increased stakeholder trust.

ESG performance analytics
Monitor progress towards targets across domains to dive into causation and drive strategic planning.

Quicker time value
Rapid integration and deployment (within client environment), accelerated data collection, analysis and reporting processes go from months to weeks.

Dynamic data insights
Including drill-downs and integration with external platforms.

Streamlined emissions calculations
Leverage pre-built Microsoft calculation models and emission factor libraries to streamline emissions calculations.

Data controls and validations
Robust scalable validations across various domains to increase data quality.

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