



TCFD Recommendations and Guidance – TPT Disclosure Framework

TECHNICAL MAPPING

OCTOBER 2023

Introduction

In 2017, the Task Force on Climate-related Financial Disclosures issued its original Recommendations.¹ These were supplemented by an Annex ‘Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures’, which was updated in 2021 alongside the release of ‘Guidance on Metrics, Targets and Transition Plans’. This mapping relates to the 2017 Recommendations, the 2021 annex,² and the Guidance on Metrics, Targets and Transition Plans.³

The TCFD’s Recommendations have recently been integrated into the IFRS S2 standard on Climate-related Disclosures,⁴ and the Financial Stability Board has asked the IFRS Foundation to take over the monitoring of the progress on companies’ climate-related disclosures from the TCFD. For a separate mapping of TPT Recommendations against the IFRS S2 Climate-related Disclosures Standard, [see here](#).

The TPT’s Disclosure Recommendations are designed to complement, and build on, wider Climate-related Disclosure Requirements in the TCFD.

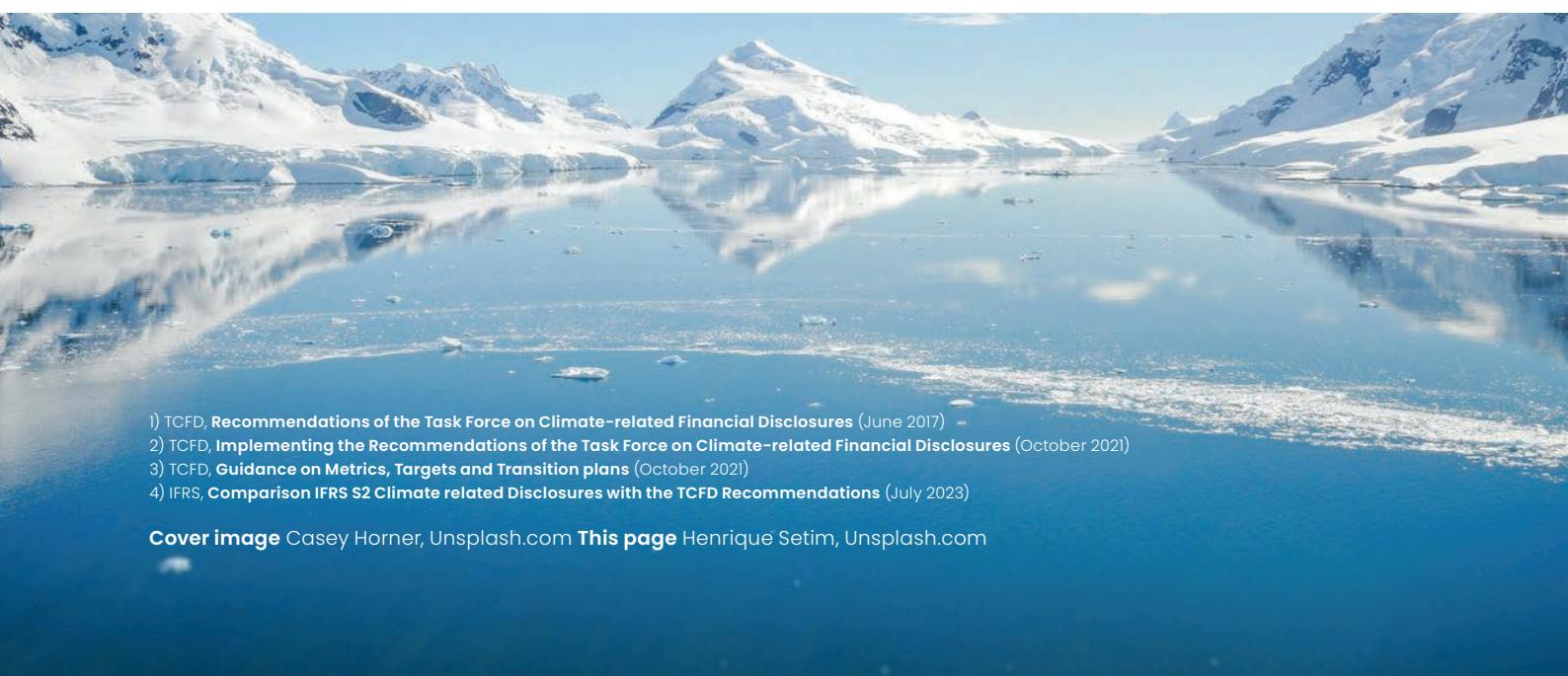
An entity should therefore not see the TPT’s

Disclosure Recommendations as separable from or parallel to climate-related financial disclosures prepared in accordance with the TCFD Recommendations. Rather, the TPT Disclosure Framework provides additional Recommendations on what a good practice climate transition plan should cover. The TPT considers that its Recommendations can be used as guidance to help entities to report more effectively on the transition plan-related aspects of the TCFD Recommendations as part of wider climate-related reporting.

To support preparers through the process of integrating content from their transition plan into disclosures aligned with the TCFD Recommendations, the TPT has developed a technical mapping which sets out the main provisions of the TCFD Recommendations and accompanying guidance relevant to transition planning. For each TCFD provision, the mapping identifies the TPT Disclosure Recommendation(s) that an entity may wish to consider as a source of guidance. There may be instances where a particular TPT Disclosure Recommendation is relevant to more than one TCFD provision.

Disclaimer:

The purpose of this mapping is to show which TPT Recommendations should be considered when disclosing relevant items under TCFD. Readers should be mindful that the TCFD Recommendations and Guidance include provisions which are **not** covered in the TPT Disclosure Framework. These are not reflected in the below mapping.



1) TCFD, [Recommendations of the Task Force on Climate-related Financial Disclosures](#) (June 2017)

2) TCFD, [Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures](#) (October 2021)

3) TCFD, [Guidance on Metrics, Targets and Transition plans](#) (October 2021)

4) IFRS, [Comparison IFRS S2 Climate related Disclosures with the TCFD Recommendations](#) (July 2023)

Relevant TCFD Recommendations and Guidance	TPT Disclosure Recommendations for consideration
<p>GOVERNANCE: Disclose the organization's governance around climate-related risks and opportunities.</p>	<p>5.1 – 5.5</p>
<p>TCFD Recommended Disclosure (June 2017)</p> <p>Governance (a): Describe the board's oversight of climate-related risks and opportunities.</p> <p>Also see: TCFD 2021 Annex: <i>Guidance for All Sectors (Governance a)</i> (October 2021)</p> <p>In describing the board's oversight of climate-related issues, organizations should consider including a discussion of the following:</p> <ul style="list-style-type: none"> • processes and frequency by which the board and/or board committees (e.g., audit, risk, or other committees) are informed about climate-related issues, • whether the board and/or board committees consider climate-related issues when reviewing and guiding strategy, major plans of action, risk management policies, annual budgets, and business plans as well as setting the organization's performance objectives, monitoring implementation and performance, and overseeing major capital expenditures, acquisitions, and divestitures, and • how the board monitors and oversees progress against goals and targets for addressing climate-related issues. <p>TCFD Recommended Disclosure (June 2017)</p> <p>Governance (b) 'Describe management's role in assessing and managing climate- related risks and opportunities.'</p> <p>Also see: TCFD 2021 Annex: <i>Guidance for All Sectors (Governance b)</i> (October 2021)</p> <p>In describing management's role related to the assessment and management of climate-related issues, organizations should consider including the following information:</p> <ul style="list-style-type: none"> • whether the organization has assigned climate-related responsibilities to management-level positions or committees; and, if so, whether such management positions or committees report to the board or a committee of the board and whether those responsibilities include assessing and/or managing climate-related issues, • a description of the associated organizational structure(s), • processes by which management is informed about climate-related issues, and • how management (through specific positions and/or management committees) monitors climate-related issue. 	<p>In particular, an entity may wish to consider the following TPT Sub-elements as a source of guidance when making its disclosures in line with TCFD:</p> <p>Governance (a): 5.1</p> <p>Governance (b): 5.2</p>

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<p>Also see: TCFD Guidance on Metrics, Targets and Transition Plan (October 2021)</p> <p>Table E1 Elements to Consider – Governance</p> <p>Approval: The board or appropriate committee of the board approves the transition plan and climate-related targets.</p> <ul style="list-style-type: none"> • Oversight: The board or appropriate committee of the board oversees execution of the transition plan. • Accountability: Senior management has responsibility for execution of the transition plan, and the responsible parties have adequate authority and access to resources to ensure effective execution. • Incentives: Remuneration and other incentives are aligned with the organization's climate goals, as described in the transition plan. • Reporting: The board or appropriate committee of the board and senior management receive regular status reports. • Review: The organization periodically reviews and updates its plans, activities, metrics, and targets. • Transparency: The organization reports on its transition planning goals and performance to external stakeholders, including financial aspects, performance against targets, and impacts on the organization's business. • Assurance: The organization's reporting is subject to independent review or third-party assurance. <p>Further relevant guidance:</p> <p>P.35: Subject to Effective Governance Processes. A transition plan should describe the approval process and oversight and accountability responsibilities within an organization, including the role of the board and senior management in overseeing the plan.</p> <p>P.35: Periodically Reviewed and Updated. A transition plan should be reviewed at least every five years and updated if necessary. Organizations should review their transition plans in line with their review process for their climate-related targets in order to ensure continued relevancy and efficacy to an organization's overall strategy planning process.</p>	

Relevant TCFD Recommendations and Guidance	TPT Disclosure Recommendations for consideration
<p>STRATEGY: Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.</p> <p>TCFD Recommended Disclosure (June 2017)</p> <p>Strategy (b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.</p> <p>Also see: TCFD 2021 Annex: Guidance for All Sectors (Strategy b) (October 2021)</p> <p>Building on recommended disclosure (a), organizations should discuss how identified climate-related issues have affected their businesses, strategy, and financial planning.</p> <p>Organizations should consider including the impact on their businesses, strategy, and financial planning in the following areas:</p> <ul style="list-style-type: none"> • Products and services • Supply chain and/or value chain • Adaptation and mitigation activities • Investment in research and development • Operations (including types of operations and location of facilities) – Acquisitions or divestments • Access to capital <p>Organizations should describe how climate-related issues serve as an input to their financial planning process, the time period(s) used, and how these risks and opportunities are prioritized. Organizations' disclosures should reflect a holistic picture of the interdependencies among the factors that affect their ability to create value over time.</p> <p>Organizations should describe the impact of climate-related issues on their financial performance (e.g., revenues, costs) and financial position (e.g., assets, liabilities). If climate-related scenarios were used to inform the organization's strategy and financial planning, such scenarios should be described.</p> <p>Organizations that have made GHG emissions reduction commitments, operate in jurisdictions that have made such commitments, or have agreed to meet investor expectations regarding GHG emissions reductions should describe their plans for transitioning to a low-carbon economy, which could include GHG emissions targets and specific activities intended to reduce GHG emissions in their operations and value chain or to otherwise support the transition.</p>	<p>1.1-1.3; 2.1-2.4; 3.1-3.3</p> <p>In particular, an entity may wish to consider the following TPT Sub-elements as a source of guidance when making its disclosures in line with TCFD:</p> <p>Strategy (b): 1.1; 1.2; 2.1; 2.2; 2.4</p> <p>Strategy (c): 1.3</p>

Relevant TCFD Recommendations and Guidance	TPT Disclosure Recommendations for consideration
<p>TCFD Recommended Disclosure (June 2017)</p> <p>Strategy (c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p> <p>Also see: TCFD 2021 Annex: Guidance for All Sectors (Strategy c) (October 2021)</p> <p>Organizations should describe how resilient their strategies are to climate-related risks and opportunities, taking into consideration a transition to a low-carbon economy consistent with a 2°C or lower scenario and, where relevant to the organization, scenarios consistent with increased physical climate-related risks.</p> <p>Organizations should consider discussing:</p> <ul style="list-style-type: none"> • where they believe their strategies may be affected by climate-related risks and opportunities; • how their strategies might change to address such potential risks and opportunities; • the potential impact of climate-related issues on financial performance (e.g., revenues, costs) and financial position (e.g., assets, liabilities); and • the climate-related scenarios and associated time horizon(s) considered. <p>Also see: TCFD Guidance on Metrics, Targets and Transition Plan (October 2021):</p> <p>Table E1 Elements to Consider – Strategy</p> <ul style="list-style-type: none"> • Alignment with strategy: The organization aligns its transition plan with its overall strategy; and the transition plan describes the following: <ul style="list-style-type: none"> • Activities – how the organization will achieve targets in defined time horizons • Temperature goal – alignment to a global temperature goal (e.g., 1.5°C), relevant regulatory mandates, and/or sectoral decarbonization strategies • Plan assumptions: The transition plan describes the organization's assumptions, particularly around transition pathway uncertainties and implementation challenges. The assumptions should be consistent with those used by the organization in its financial accounts, capital expenditures, and investment decisions. 	

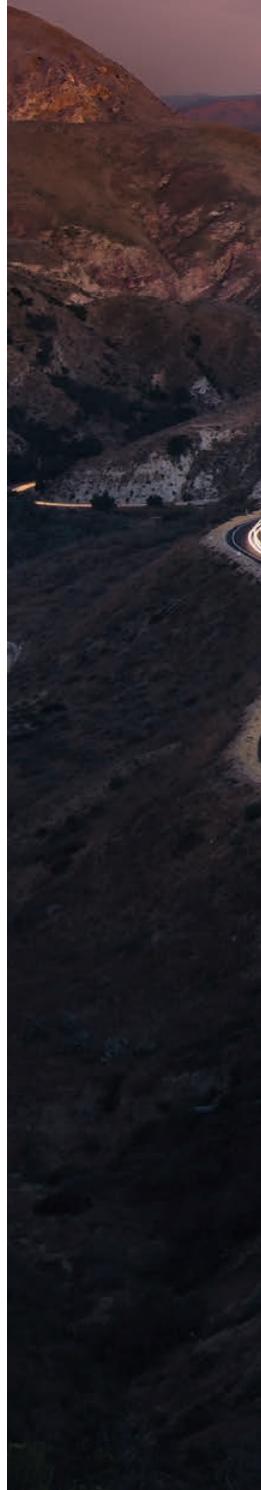
Relevant TCFD Recommendations and Guidance	TPT Disclosure Recommendations for consideration
<ul style="list-style-type: none">Prioritized opportunities: The transition plan describes how the organization intends to maximize its prioritized climate opportunities as the world transitions to a low-carbon economy.Action plans: The transition plan outlines short-term and medium-term tactical and operational plans and describes how related actions address material sources of GHG emissions. The plan includes current and planned initiatives to reduce climate-related risks and increase climate-related opportunities.Financial plans: The transition plan describes the supporting financial plans, budgets, and related financial targets (e.g., amount of capital and other expenditures supporting decarbonization strategy).Scenario analysis: The organization tests achievability of the transition plan and associated targets using multiple climate-related scenarios. <p>Further relevant guidance:</p> <p>P43: Organisations should also consider describing the assumptions, uncertainties, and key methodologies associated with their transition plans.</p>	

Relevant TCFD Recommendations and Guidance	TPT Disclosure Recommendations for consideration
<p>METRICS & TARGETS: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.</p> <p>METRICS AND TARGETS</p> <p>TCFD Recommended Disclosure (June 2017)</p> <p>Metrics and Targets (a) Disclose the metrics used by the organization to assess climate- related risks and opportunities in line with its strategy and risk management process.</p> <p>Also see: TCFD 2021 Annex: Guidance for All Sectors</p> <p>(Metrics & Targets a) (October 2021)</p> <p>Organizations should provide the key metrics used to measure and manage climate- related risks and opportunities, as described in Tables A1.1 and A1.2 (pp. 75–76), as well as metrics consistent with the cross-industry, climate-related metric categories described in Table A2.1 (p. 79).³⁰ Organizations should consider including metrics on climate-related risks associated with water, energy, land use, and waste management where relevant and applicable.</p> <p>Where climate-related issues are material, organizations should consider describing whether and how related performance metrics are incorporated into remuneration policies.</p> <p>Where relevant, organizations should provide their internal carbon prices as well as climate-related opportunity metrics such as revenue from products and services designed for a low-carbon economy.</p> <p>Metrics should be provided for historical periods to allow for trend analysis. Where appropriate, organizations should consider providing forward-looking metrics for the cross-industry, climate-related metric categories described in Table A2.1 (p. 79), consistent with their business or strategic planning time horizons. In addition, where not apparent, organizations should provide a description of the methodologies used to calculate or estimate climate-related metrics.</p>	<p>1.1; 4.1–4.4</p> <p>In particular, an entity may wish to consider the following TPT Sub-elements as a source of guidance when making its disclosures in line with TCFD:</p> <p>Metrics & Targets (a): 4.1–4.3</p> <p>Metrics & Targets (b): 4.3</p> <p>Metrics & Targets (c): 1.1; 4.1 – 4.3</p>

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<p>TCFD Recommended Disclosure (June 2017)</p> <p>Metrics and Targets (b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</p> <p>Also see: TCFD 2021 Annex: Guidance for All Sectors (Metrics & Targets b) (October 2021)</p> <p>Organizations should provide their Scope 1 and Scope 2 GHG emissions independent of a materiality assessment, and, if appropriate, Scope 3 GHG emissions and the related risks. All organizations should consider disclosing Scope 3 GHG emissions.</p> <p>GHG emissions should be calculated in line with the GHG Protocol methodology to allow for aggregation and comparability across organizations and jurisdictions. As appropriate, organizations should consider providing related, generally accepted industry-specific GHG efficiency ratios.</p> <p>TCFD Recommended Disclosure (June 2017)</p> <p>Metrics and Targets (c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.</p> <p>Also see: TCFD 2021 Annex: Guidance for All Sectors (Metrics & Targets c) (October 2021)</p> <p>Organizations should describe their key climate-related targets such as those related to GHG emissions, water usage, energy usage, etc., in line with the cross-industry, climate-related metric categories in Table A2.1 (p. 79), where relevant, and in line with anticipated regulatory requirements or market constraints or other goals. Other goals may include efficiency or financial goals, financial loss tolerances, avoided GHG emissions through the entire product life cycle, or net revenue goals for products and services designed for a low-carbon economy.</p> <p>In describing their targets, organizations should consider including the following:</p> <ul style="list-style-type: none"> • whether the target is absolute or intensity based; • time frames over which the target applies; • base year from which progress is measured; and • key performance indicators used to assess progress against targets. <p>Organizations disclosing medium-term or long-term targets should also disclose associated interim targets in aggregate or by business line, where available.</p> <p>Where not apparent, organizations should provide a description of the methodologies used to calculate targets and measures.</p>	

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<p>Also see: TCFD Guidance on Metrics, Targets and Transition Plan (October 2021):</p> <p>Table E1 Elements to Consider – Metrics & Targets</p> <ul style="list-style-type: none"> Metrics: The transition plan describes metrics the organization will monitor to track progress against plans and targets, including related operational and financial performance metrics, metrics aligned with the cross-industry, climate-related metric categories, and industry-specific or organization-specific metrics. Targets: The transition plan includes quantitative and qualitative targets based on sound climate science. For GHG emissions targets, the plan indicates the type and scope of GHG emissions included as well as the extent of GHG emissions across territories, timeframes, or activities. Methodology: Metrics and targets in a transition plan are based on widely recognized and transparent methodologies. Dates: The transition plan specifies the dates when targets are intended to be reached and includes targets during the plan's time horizon (e.g., a timetable for the plan's roadmap). GHG emissions reductions: The transition plan addresses the relative contribution of reductions, removals, and offsets for achieving GHG emissions targets. <p>Further relevant guidance:</p> <p>P12: Disclosure of climate-related metrics is most effective when metrics are presented in a manner that aids understanding (e.g., both aggregated and disaggregated, where useful; clear labelling), including clear articulation of any limitations and cautions. Climate-related metrics should provide important context around such points as management's thinking in terms of goal setting, internal process management, and communication objectives and should be supported by contextual and supporting narrative information on items such as organizational boundaries, governance, methodologies, and basis of preparation.</p> <p>P.13 In presenting climate-related metrics and associated contextual information in their disclosures, an organization should consider providing the following, where relevant:</p> <ul style="list-style-type: none"> Types of measurements used, including whether information comes from direct measurements, estimates, proxy indicators, or financial and management accounting processes. 	

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<ul style="list-style-type: none">Methodologies and definitions used, including the scope of application, data sources, critical factors or parameters, assumptions, and limitations of the methodology. <p>P. 35 Disclosures of targets should be supported by contextual, narrative information on items such as organizational boundaries, methodologies, and underlying data and assumptions, including those around the use of offsets.</p> <p>P. 43 When describing their GHG emissions reduction targets, organization should include the target dates as well as the scope and coverage.</p> <p>Appendix 2. Disclosure of Internal Carbon Prices</p> <p>P. 60 The Task Force encourages organizations for which disclosure of internal carbon prices is relevant to disclose the actual internal carbon price(s) used within the organization, for example, when making investment or strategic planning decisions. Organizations should disclose internal carbon prices that are consistent with those used in determining values of items disclosed publicly, such as asset valuations and retirement obligations.</p> <p>P. 60 Organizations may also consider disclosing information about how they use an internal carbon price(s) in their decision-making and to what extent it affects their decisions.</p>	



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