



KPMG and Unqork decode ESG

How a no-code platform helps rapidly digitize ESG operations with flexibility

Few issues are as complex and rapidly evolving as environmental, social, and governance (ESG) regulations. Off-the-shelf solutions may be rigid and lack the flexibility and nimbleness required to deliver evolving ESG requirements. KPMG sees an opportunity to leverage low-/no-code platforms as the way to accelerate delivery of ESG solutions and enable rapid iterations.

Financial services companies are expected to track and comply with emerging regulations and incorporate ESG factors into investment and lending decisions. ESG risks and opportunities also include a wide range of non-financial scoring categories to assess the impact of a company's services and practices on the planet and society. Compounding the challenge are the recently proposed SEC rules that require certain climate-related information, beginning with 2023 fiscal data. Companies need to digitize the ESG operations ecosystem rapidly, while ensuring flexibility for evolving rules and regulations.

The common challenges

In our conversations with financial services clients, we hear four recurring challenges:



Data timeliness and confidence – Defining and collecting ESG data in a timely manner, and stakeholder confidence in the data



Tracking and reporting – For internal, investor-facing, and regulatory reports



Compliance – Lack of information and guidance to ensure compliance with constantly evolving regulatory requirements and expectations



Limitations of solutions – Off-the-shelf solutions lack the nimbleness and flexibility to deliver and iterate in a rapid fashion

The benefits of decoding ESG

Unqork can deliver benefits that are crucial to helping financial services rapidly respond to changing ESG regulations:



Faster time to market – Build complex applications three times faster than traditional code-based approaches and measure development timelines in weeks, not months



Rapid iterations – Easy to use, codeless architecture for developers and business users alike, enabling a rapid response to an evolving regulatory landscape.



Robust governance – Meet the three lines of defense needs and satisfy regulators' expectations through role-based access control (RBAC) with full data lineage capabilities, versioning, and audit logs.

Here are three examples of how KPMG and Unqork have collaborated to address common issues for our clients.

Build confidence in data

Nonfinancial ESG data collection – KPMG leveraged Unqork’s modern user interface and workflow management capability to streamline the process to collect, review, and report on nonfinancial ESG data for commitment tracking.

What we can deliver

- Digital device-independent user interface along with tooltips and FAQs to guide the information collection process
- Rule-based data collection with data validation checks in place
- Maker checker controls and supervisory reviews to increase confidence in data
- Automated notification and tracking process for real-time data collection and reporting
- Ability to pull data directly from internal and third-party systems
- Period-over-period variance analysis to identify and correct data anomalies

Deliver timely and insightful reports

ESG commitment and annual Impact reporting – A robust reporting tool to manage nonfinancial regulatory reporting processes, from data collection to final sign-off including supporting assurance.

What we can deliver

- Persona-based dashboards
- Individual company and portfolio-level reporting
- Ability to collaboratively collect and review ESG data, and track data from collection to review to finalization and reporting
- Automated reminders to data providers to collect ongoing ESG data
- Full audit and change log capabilities
- Ability to pull data conversion factors from various frameworks to calculate emissions

Help ensure compliance

KPMG ESG consulting and managed services – KPMG ESG Advisory professionals have real-life experience to provide holistic, yet practical, insights, working with you side by side at each step of your ESG transformation.

What we can deliver

- Guidance through your ESG journey (Assess, Design, Operationalize and Sustain & Report)
- Insights into ESG frameworks, compliance, and regulatory requirements
- Readiness assessment for tracking and reporting against ESG commitments
- Collect, cleanse, and review ESG data from internal and external data providers
- Review performance, changes in the environment, and opportunities for continuous improvement as requirements evolve

KPMG and Unqork are the right alliance in your ESG journey

By working with our clients, the KPMG team has built and deployed more than 45 solutions on the Unqork platform over the past four years, leveraging a combination of highly efficient and highly capable onshore, nearshore, and offshore delivery to help reduce costs.

KPMG expertise in ESG strategy, regulations, and data, coupled with Unqork’s no-code application, helps financial services firms address a wide spectrum of their dynamic ESG needs. KPMG can guide your teams to drive sustainable innovation across your business and help you gain a competitive edge. With deep expertise across critical issues—including decarbonization, reporting, sustainable

finance, and social—we’ll help you create the right blueprint for integrating ESG, a blueprint that simplifies your strategy, guides its full implementation, and lets you take the lead on ESG.

We go beyond strategy, working with you side by side at each step of your ESG transformation. With our industry-leading experience, data-driven technology, and global partnerships, you can turn insight into opportunity for your business, your people, and our planet. Because how you grow matters.

Contact us

Harvinder Bhatia
Principal

T: 414-339-3811

E: harvinderbhatia@kpmg.com

Steven Arnold
Principal

T: 716-380-9596

E: stevenarnold@kpmg.com

Edward Williams
Director

T: 512-501-5414

E: edwardwilliams@kpmg.com

Amy Czech
Alliance Director

T: 347-683-2088

E: aczech@kpmg.com

Some or all of the services described herein may not be permissible for KPMG audit clients and their affiliates or related entities.

read.kpmg.us/unqork
kpmg.com/socialmedia



The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act upon such information without appropriate professional advice after a thorough examination of the particular situation.

© 2022 KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization. NDP324277-1A