

# Helping you prosper on your ESG journey

Everything you need to know about  
measuring and reporting your ESG data

January 2025

## Did you know that chartered accountants in the UK are the only professionals qualified to provide independent, external verification of your sustainability results according to the ISSB standards?

The emergence of Environmental, Social and Governance (ESG) has rapidly evolved in recent years. What initially began as niche considerations for larger corporations looking to make a difference have now become essential priorities for businesses of various sizes across many sectors. Nowadays, as climate concerns deepen and societal changes persist, businesses are under the spotlight to take meaningful action.

At UHY, we understand ESG isn't just about meeting compliance requirements. It's about demonstrating a commitment to building a more sustainable world.



Treating ESG as an opportunity to improve efficiency, reduce waste and strengthen relationships can help your business gain a competitive edge.

## What is ESG and why does it matter?

ESG is a framework that can measure an organisation's impact on the environment, the important work being carried out to benefit communities and society and the transparent and accountable nature of its governance. While the broader concept of sustainability focuses on meeting present needs without compromising future generations, ESG offers measurable frameworks for businesses to act on those values. By focusing on governance structures, risk management and long-term strategies, ESG offers a roadmap for integrating sustainability into every facet of business.

Whereas traditional interpretations viewed ESG as an additional cost, many companies now recognise it as an investment that yields returns in the form of reduced risks, an enhanced positive reputation and even financial gains. In today's more ESG-focused world, businesses are looking for sustainable partners and are no longer satisfied with minimal compliance. Quite rightly, they now want to see clear, data-backed ESG initiatives that demonstrate genuine commitment and transparency.

As collective awareness grows, people are demanding more from the organisations they engage with. Customers and suppliers, in particular, are less tolerant of 'greenwashing' and want to partner with organisations that are committed to making a difference for our planet, communities and future generations. Whereas employees, or prospective recruits, are seeking purpose-driven employers who align with their values. For SMEs, aligning with ESG is not just about compliance but also about building trust and engagement with stakeholders and employees who not only influence their successes but play an active role in achieving those.

Whilst regulators are currently focusing their efforts on large, listed companies in the UK, the requirements are quickly making their way into the SME market.

If your company is:

- **Looking for finance:** If you are looking to finance a project to reduce your CO2e emissions, or for an environment-related project or initiative banks have a pool of funds available for these specific projects. Companies must provide details of their net-zero transition plan, to be able to access these funds.
- **Seeking investment:** Companies seeking investment from sustainable funds are required to return an annual ESG disclosure under UK and EU law.
- **Exporting to the EU:** The EU's Carbon Border Adjustment Mechanism (CBAM) requires companies importing goods to the EU, that fall into scope to complete a CBAM disclosure. The full scope of CBAM regulation will come into force on 1 January 2026. Naturally, this means that UK-based exporters will be asked for their product carbon data as part of the process.
- **In a large company supply chain:** Companies within the supply chain of a large corporation based in the EU are required to disclose emissions and wider sustainability data under the Corporate Sustainability Reporting Directive (CSRD).
- **Suppliers to a Government entity:** Companies who are tendering or existing suppliers to UK Government organisations who fall into scope of the Public Procurement Notice 06/21 (PPN 06/21) are required to submit a Carbon Reduction Plan. For the NHS this applies to all new procurements regardless of contract value from April 2024.
- **Fall into the scope for Streamlined Energy and Carbon Reporting (SECR):** These entities are compelled to report energy and carbon intensity metrics as part of their financial reporting.

By adopting ESG into your daily operations and services, you have the opportunity to position your organisation as a leader in your industry, enhance your product services, strengthen relationships and establish a legacy of responsibility and sustainability.

### We can provide all the ESG data you need for success

- Easy to use platform
- Compliance-ready (for new and evolving reporting regulations)
- Work with us, your trusted accountant
- Avoid tedious line-by-line data entry and invoice uploads
- Access rich carbon and ESG data through assurable data auditors who can test and agree to supporting documentation
- Future-proof your business for integrated reporting

## ESG can grow your business

### Improved recruitment and retention

In recent years, attracting and retaining the best talent has become more challenging than ever. Recruits are increasingly selective, and rightly so, favouring organisations that share their values, provide a positive work environment and who play their part in making a tangible difference in our world. Your organisation can build a competitive advantage by implementing policies and initiatives that not only include ESG principles but also support employee growth and community involvement.

### Attract new customers

The way consumers approach products and services has changed. Nowadays, people want to know that the business they buy from or partner with align with their values. By committing to ESG, you can expand your customer base and open doors to new markets and demographics that prioritise ESG practices, building loyalty to attract clients who value transparency and an eco-friendly approach to service/product delivery. As a result, this can lead to deeper, lasting relationships that strengthen your organisation's prosperity and longevity.



By embedding ESG into the heart of your organisation, you can become a catalyst for a more equitable and sustainable future.

### An enhanced brand reputation

In today's competitive market, ESG-aligned businesses can differentiate themselves from competitors, particularly in sectors where customers are increasingly aware of social and environmental impact. A strong ESG reputation can also open doors to partnerships with larger organisations that prioritise responsible sourcing. Beyond this, organisations that proactively adopt ESG into their daily operations are better placed to position themselves for future growth where ESG credentials are expected.

### Stronger financial performance

Research has shown that businesses that embrace ESG enjoy stronger financial performance in both the short and the long term, in part due to enhanced governance. Transparent and responsible initiatives and operations often lead to cost savings and efficiency improvements.

### Access new capital

Investors are more willing to support businesses that demonstrate a commitment to sustainability, recognising ESG as a sign of resilience. Therefore, organisations with strong ESG credentials may find it easier to secure funding opportunities from those looking to make sustainable investments.

As businesses navigate the evolving ESG landscape of both measuring and reporting, ensuring accuracy and credibility in sustainability data is more important than ever – and we're here to help.

### Our services include:

#### Advisory services

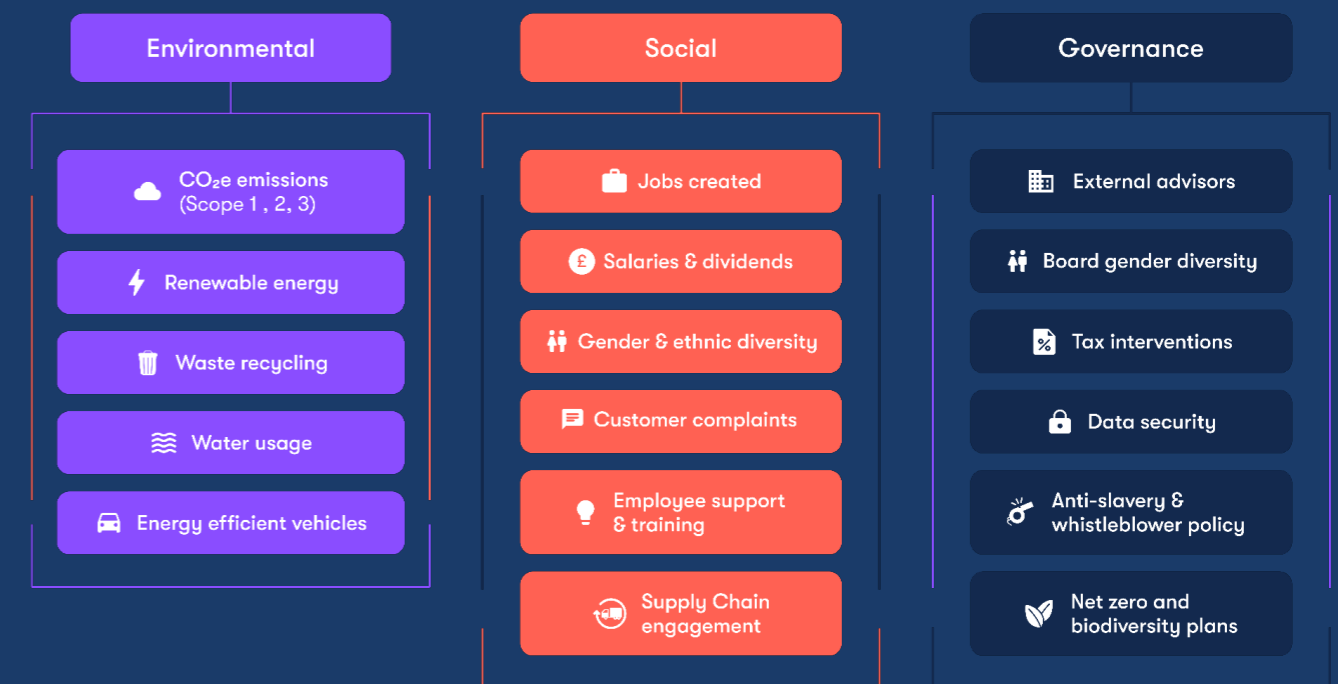
- **Begin your journey:** We'll work with you to identify and implement initiatives that promote ESG and compliance.
- **Be prepared:** We'll ensure your business is ready to meet the growing demands of ESG accountability, whether that's driven by your stakeholders, supply chain requirements or a change in regulations.

#### Reporting services

- **Access to an industry-leading reporting platform:** View your non-financial data in the Omnevue reporting platform. Its 23 key metrics enable you to identify trends, spot business opportunities and implement improvements.
- **Collating and organising data:** We will manage the complexities of ESG data collection, ensuring all relevant information is organised and ready for reporting.

#### Assurance services

- **Data assured to international standards:** All data will be verified in accordance with international standards on assurance engagements (ISAE 3000 to be replaced by ISSA 5000, effective from periods beginning on or after 15 December 2026).
- **Stakeholder-ready ESG report:** Data will be collated in a professional report showcasing your ESG performance to customers, investors and regulatory bodies.
- **Limited assurance report:** We will create a limited assurance report to provide assurance on your ESG



## Our services are tailor-made for businesses like yours

### All the data you require

Our services provide all the data you need to answer ESG requests; in line with EU Taxonomy and assured to international standards on assurance (ISAE 3000), to be replaced by the international standard on sustainability assurance (ISSA 5000 from 15 December 2026). You'll have fast access to all the answers or information your customers, banks or investors need.

### Prove you are not greenwashing

Some organisations have been rightfully criticised for 'greenwashing' – creating the illusion of sustainability without enacting substantive changes. Our services can help you demonstrate that you are not greenwashing and provide the same professional standards of security, confidentiality and accuracy as financial accounting.

### Save time and money

By opting to partner with UHY to measure your ESG metrics, you'll already have what you need to complete your ESG reporting. Our powerful collaboration tools, as a result of our partnership with Omnevue and its industry-leading platform, reduce input time – allowing you to focus on the day-to-day operations of your organisation.

### Unlock insights and new KPIs

We will work with you to develop a set of metrics that can be used internally to set targets, track performance and help you make more informed business decisions.

## Why we're the partner of choice for you on your ESG journey

### How we can help you prosper

#### Experts in ESG reporting

We combine technical precision with a deep understanding of emerging ESG regulations and standards.

#### Global network with local insight

With more than 330 offices across 96 countries, we offer the knowledge and resources of a global network, alongside the tailored, local expertise your business needs.

#### Going beyond compliance

We offer so much more than just ticking boxes. Our services help you align ESG practices with your strategic goals and future plans, creating long-term value.

#### Building a sustainable future together

We all have a vital role to play in building a sustainable world for future generations. By partnering with us, together we can have a meaningful impact on your business, our communities and the planet.



ESG is becoming a non-negotiable element of doing business.

### Start your ESG journey today

Whether you're looking to measure, report or enhance your ESG performance, UHY is here to help.

Contact your usual UHY partner to learn more about how our ESG services can support your business or visit our website to connect with our team and begin your ESG journey.

Through our ESG services and shared insights, we can empower you to navigate this journey confidently.

**Together, we can build a brighter, sustainable future.**

Visit our website at [www.uhy-uk.com](http://www.uhy-uk.com)

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