

Net zero disclosures



The FRC Lab (Lab) is inviting companies, investors and other interested parties to participate in a project looking at how net zero commitments are reported. Contact the Lab at FRCLab@frc.org.uk by 30 June 2022 if you are interested in taking part.

Background

As part of global efforts to combat climate change, companies are increasingly making net zero commitments. Interest in disclosures on these plans is growing. As explained in [the FRC's ESG statement of intent](#), reporting is often aspirational and high level, and does not provide users with information about progress and whether the entity's strategy will deliver the commitment.

In this context, the Lab is undertaking a project about how information on net zero commitments is reported on by companies and used by investors.

The scope of this project will be determined in conjunction with participants but is expected to cover:

- How companies define net zero and their pathway towards it (for example, types of emissions covered and whether offsets are used).
- Frameworks and accreditations used by companies for reporting.
- How companies set short-, medium- and long-term targets to achieve their net zero ambition and how they measure progress against those.
- How companies discuss the impact of transition on strategy and business model.
- How net zero targets are linked to remuneration.
- How investors use this information for decision making.

How to participate

The Lab invites companies, service and systems providers, investors and other interested parties to communicate their interest by emailing FRCLab@frc.org.uk by 30 June 2022.

Participation is expected to involve:

- a 1-hour individual virtual meeting to discuss your views and experiences; and
- multi-party round table meetings of 1.5 hours (attendance is not required at all round tables).

Participants will be kept up to date on the progress of the project and will be given an opportunity to comment on draft findings.

Stakeholders are also welcome to express their interest in the planned project phases on ESG data distribution and consumption.

Further information on the Lab, including its publications, can be found [here](#).