

TCFD glossary guide - Northmore Gordon

Canonical: <https://northmoregordon.com/glossary/tcf-d-2/>

Details:

Home > Glossary > TCFD

TCFD

TCFD stands for Task Force on Climate-related Financial Disclosures. It is a framework that guides organizations in disclosing climate-related financial risks and opportunities to investors and stakeholders. The TCFD framework addresses how climate change affects business strategy, risk management, and financial planning, making it relevant for companies integrating climate considerations into their governance and reporting processes.

Related guidance

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What does TCFD stand for?

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How does TCFD relate to sustainability reporting obligations that Australian organizations face?

TCFD provides a voluntary framework for climate-related financial disclosures that complements mandatory sustainability reporting under schemes like ASRS (Australian Sustainability Reporting Standards). While ASRS creates legal reporting obligations for certain Australian entities based on size and emissions thresholds, TCFD offers structured guidance on identifying and disclosing climate risks and opportunities. Organizations may use TCFD principles to strengthen their mandatory sustainability reports and demonstrate comprehensive climate governance to investors and stakeholders.

What types of climate-related information does TCFD require organizations to disclose?

TCFD framework requires disclosure across four key areas: governance (how the organization manages climate issues), strategy (how climate risks and opportunities affect business strategy), risk management (processes for identifying and managing climate-related risks), and metrics and targets (specific performance measures and emissions reduction commitments). This structured approach helps organizations communicate their climate resilience, transition planning and financial implications

of decarbonisation to investors and other stakeholders.

Does Northmore Gordon offer services to help organizations prepare TCFD-aligned disclosures?

Yes, we provide carbon advisory services that support the information foundation for TCFD disclosures. These include emissions inventories, transition planning, opportunity assessment, climate-risk and scenario analysis, and environmental-attribute due diligence. Their diagnostic workshops and transition pathway development help organizations establish starting positions and identify reduction strategies, which are essential inputs for TCFD-compliant climate governance and strategy disclosures.

How do carbon accounting boundaries relate to TCFD disclosure requirements?

TCFD disclosures require clear boundaries for climate-related risks and opportunities, which aligns with carbon accounting boundary statements. Organizations must document which entities, activities, and emissions scopes (1, 2, and 3) are included in their climate assessment and strategy. Our carbon accounting expertise helps establish these boundaries correctly, ensuring that TCFD disclosures accurately reflect the organization's exposure to climate risks and the scope of its transition planning.

Does Northmore Gordon offer other resources related to certificate trading mentioned alongside TCFD guidance?

Yes, we provide links to Live AU Certificate Prices and offers services for buying and selling Global RECs (Renewable Energy Certificates). These resources support organizations implementing their climate strategies and TCFD-disclosed transition plans. Certificate procurement and trading are practical mechanisms for sourcing renewable electricity attributes or carbon offsets, which can feature in both risk-management strategies and metrics disclosures under the TCFD framework.

How can organizations use TCFD to guide their environmental certificate strategy?

TCFD's strategy pillar encourages organizations to disclose how they address climate risks, including through renewable energy procurement and carbon reduction initiatives. Environmental certificates—such as RECs, STCs, LGCs, or ACCUs—can be part of that disclosed strategy. Our environmental certificate services, including moREnewable100 procurement and ACCU project support, help organizations source and manage certificates as part of a coherent, TCFD-aligned climate strategy with clear governance and measurable targets.

Why should organizations integrate TCFD principles into their energy optimization projects?

TCFD encourages organizations to view energy and emissions management as material financial issues. By integrating TCFD principles into energy optimization projects, organizations strengthen the business case for investments by linking them to climate risk mitigation and strategic advantage. Our six-stage delivery approach—from assessment through procurement to ongoing performance—aligns with TCFD's call for robust governance and measurable progress, enabling organizations to demonstrate credible climate action backed by investment and verified outcomes.