

Internal ESG-Audit

The central role of the internal audit department in ESG implementation

- The implementation of the ESG agenda is the most important project in most companies in the coming years.
- Compliance with extensive new standards and opportunities through new products and markets affect almost all internal processes and are of special focus of audits by supervisors and auditors.
- For traditional banks, asset managers and FinTechs, particularly extensive specific standards of the Sustainable Finance Agenda must also be implemented.
- The audit of ESG implementation will be one of the focus topics of the internal audit department in the coming year.

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Our experienced team provides advisory support as well as (partial) outsourcing of ESG audits!



Scoping-Support

Analysis of the specific standards and the ESG strategy



Audit Approach

Developing the appropriate audit approach using the PAS Internal ESG-Audit Tools



Audit Readiness

Preparation of the internal audit department as well as the areas to be audited for the audit



Execution

Tool-supported review and evaluation of ESG implementation; also in comparison with peers



Follow-Up Process

Support in addressing identified needs for action

I. Scoping & Planning

- Stand-alone or supplement existing audit areas in the audit plan
- Scoping with regard to the specific regulatory requirements, the own level of ambition as well as the business areas and processes to be audited

IV. Follow Up-Process

- Validation of measures and ensuring their targeted implementation
- Definition of further ESG audit focus areas if required



II. Audit & Assessment

- Definition of new, customised audit programmes
- Analysis of ESG standards and allocation of requirements to specific business areas, business processes and audit objects
- Coordination with specific internal audit guidelines, such as the DIIR ESG Audit Guidelines

III. Evaluation & Reporting

- Reporting on the ESG audit including positive audit results as well as clearly highlighted needs for action
- Consideration of the ESG implementation of specific peer groups as part of the assessment