Streamlining IFRS reporting with XBRL
Climate Change Reporting Taxonomy - A step forward towards integrated reporting
Pedro Faria, 26/10/2011
Overview

1. Climate Change disclosure - current status
2. Climate Disclosure Standards Board:
   • Standardization needs
   • CDSB XBRL initiative
3. Climate Change Taxonomy & Integrated Reporting
Climate Change Disclosure – 1

Assessment and transparency of risks across the board helps to prevent systemic risks to the global financial (& economic) system
Climate Change Disclosure – 2

Who requests information on climate change?

- **Regulators** (financial, securities, environment, energy governance, business)
- **Stock Exchanges**
- **Standard setters**
- **Non-government organizations**
- **Private sector groups and professionals**
- **Rating agencies**
- **Investors**
- **Consumers**
Climate Change Disclosure – 3

• 142 country standards & laws on sustainability in 30 countries (Source – KPMG “carrots and sticks report 2010)

• 30 major schemes focused on GHG reporting (Source – ERM report for EC “Company GHG Emissions Reporting”, 2010)

• Laws, codes, trading schemes, guidance, best practice, etc
Accelerate solutions to climate change and water management by putting relevant information at the heart of business, policy and investment decisions.
Climate Change Disclosure – 5

Data collection

- CARBON DISCLOSURE PROJECT
- 551 institutional investors
  US$71 trillion
- 5000 companies requested
- 3600 reporting companies
- On-line Response System

Data dissemination

- CARBON DISCLOSURE PROJECT
- Website
- Reporter Services (BIOD)
  - accenture
  - Reports
  - pwc
- Bloomberg
- MSCI
  - ESG Research
- Thomson Reuters
- AMEE
- CSRHub™
- RepuTex
- POSCO Research Institute
- Sustainalytics
- XBRL
Climate Disclosure Standards Board (CDSB)

Mission: promote and advance standardized disclosure of climate change-related information in mainstream reports
CDSB – CCRF (Climate Change Reporting Framework)

Approach

Collaborase
The Catalyst for Collaboration

http://www.cdsb.net/get-involved/collaborase/
Objectives

• Set out requirements for Climate Change disclosure on what and to what extent report
• Provide suitable criteria for assurance
Restrict boundary options
Align boundary and consolidation approaches with financial accounting
CDSB – XBRL – 1

XBRL
CCRF Taxonomy

Principles and criteria

*~300 data points*

*~100 validation rules*

*“Leading” data points*

ITA compliant

<CDP Information Request>

CCRF

CDP
Challenges:

1. Long term resourcing and update of taxonomy
2. Adoption
CDSB – XBRL – 5

Publicly available:

+ XBRL

CARBON DISCLOSURE PROJECT
Integrated Reporting

System thinking
(Jay Forrester, Dennis and Donella Meadows)

Sustainability solutions require System thinking

SUSTAINABILITY IS THE MAIN STRATEGIC ISSUE OF 21st CENTURY CORPORATION!

Daly, 1996
THANK YOU!

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