

# WHAT WE COULD SEE IN CLIMATE REPORTING

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**INTEGRATED REPORTING  
COMMITTEE (IRC)  
OF SOUTH AFRICA**

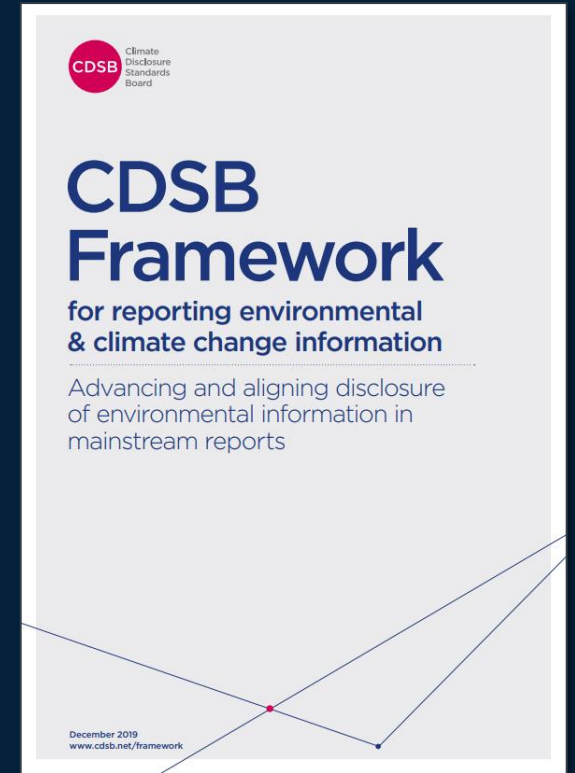
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**2021**

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# TO PROVIDE **DECISION-USEFUL ENVIRONMENTAL INFORMATION** TO MARKETS VIA THE MAINSTREAM CORPORATE REPORT



## Board



THE CLIMATE GROUP



## Examples of Technical Working Group members



# KEY DEVELOPMENTS IN CLIMATE REPORTING

1. CONSOLIDATION OF INVESTOR REPORTING FRAMEWORKS & STANDARDS
2. TRANSITION PLANNING (NET ZERO)
3. INTEGRATION INTO FINANCIAL ACCOUNTING
4. DIGITISATION
5. LEGISLATION AND SUPERVISION

# 1. CONSOLIDATION OF INVESTOR REPORTING FRAMEWORKS & STANDARDS

BECOMES PART OF THE IFRS FOUNDATION

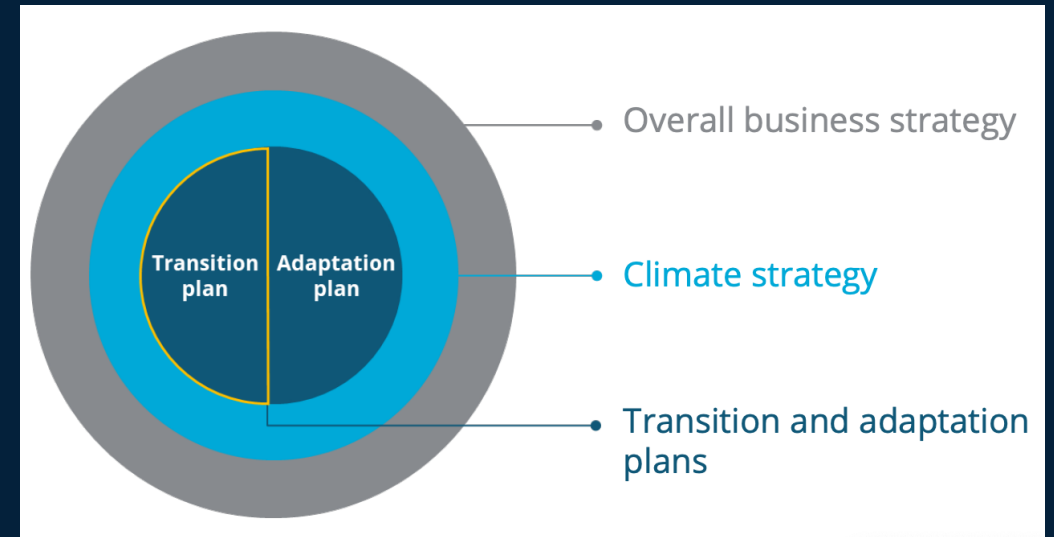


ADDITIONAL MEMBERS OF TECHNICAL READINESS WORKING GROUP



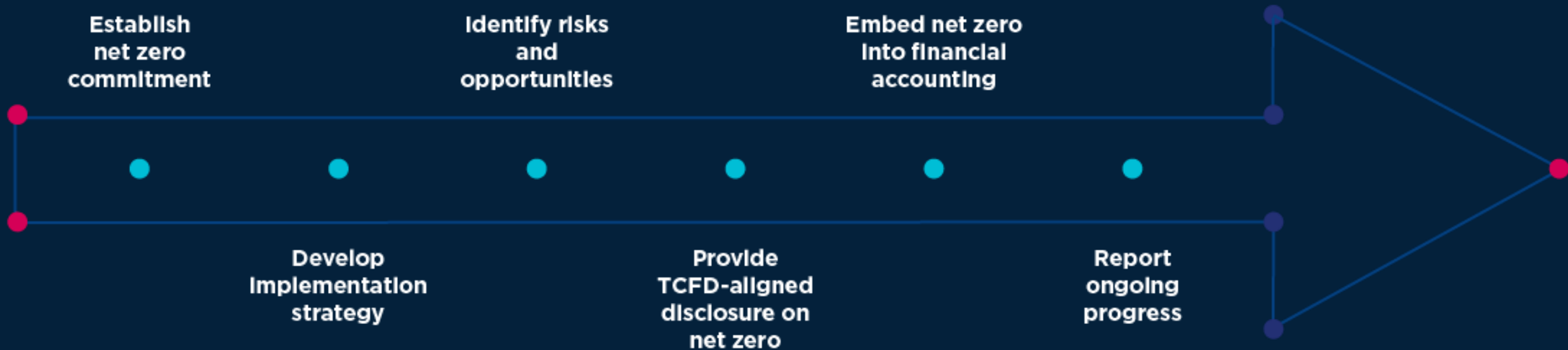
## 2. TRANSITION PLANS

AN ASPECT OF A BUSINESS' OVERALL STRATEGY THAT LAYS OUT A SET OF TARGETS AND ACTIONS SUPPORTING ITS TRANSITION TOWARD A LOW-CARBON ECONOMY, INCLUDING ACTIONS SUCH AS REDUCING ITS GHG EMISSIONS.



Source: TCFD

# NET ZERO – THE NEW NORM



### 3. INTEGRATION INTO FINANCIAL ACCOUNTING

OVER 70% OF 107 COMPANIES REVIEWED  
PROVIDED NO INDICATION OF CONSIDERATION OF  
CLIMATE IN 2020 FINANCIAL STATEMENTS.

*SOURCE: FLYING BLIND – THE GLARING ABSENCE OF CLIMATE RISKS IN FINANCIAL REPORTING  
CARBON TRACKER & PRI*

# 3. INTEGRATION INTO FINANCIAL ACCOUNTING

IAS 1 PRESENTATION OF FINANCIAL STATEMENTS;

IAS 37 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS;

IAS 36 IMPAIRMENT OF ASSETS;

IAS 16 PROPERTY, PLANT AND EQUIPMENT;

IFRS 13 – FAIR VALUE MEASUREMENT;

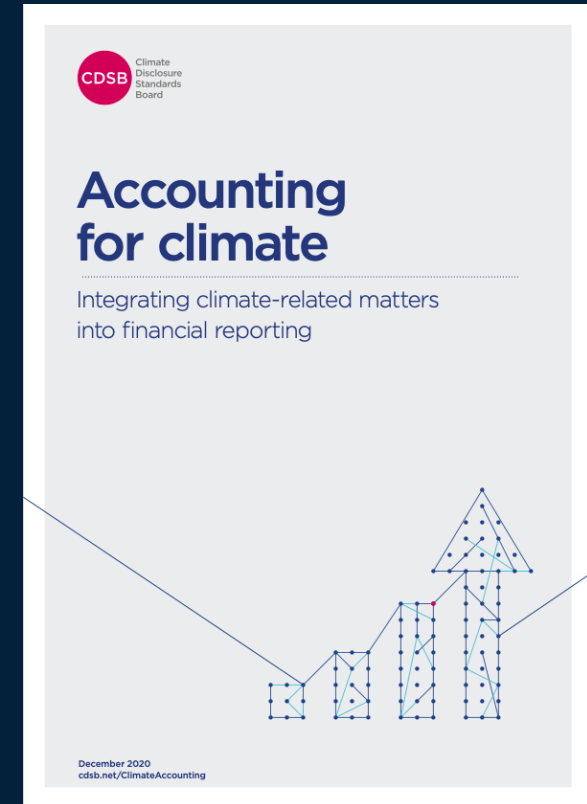
IFRS 9 – FINANCIAL INSTRUMENTS;

IFRS 7 – FINANCIAL INSTRUMENTS: DISCLOSURE;

IAS 2 – INVENTORIES;

IAS 12 – INCOME TAXES; AND,

IFRS 17 – INSURANCE CONTRACTS.



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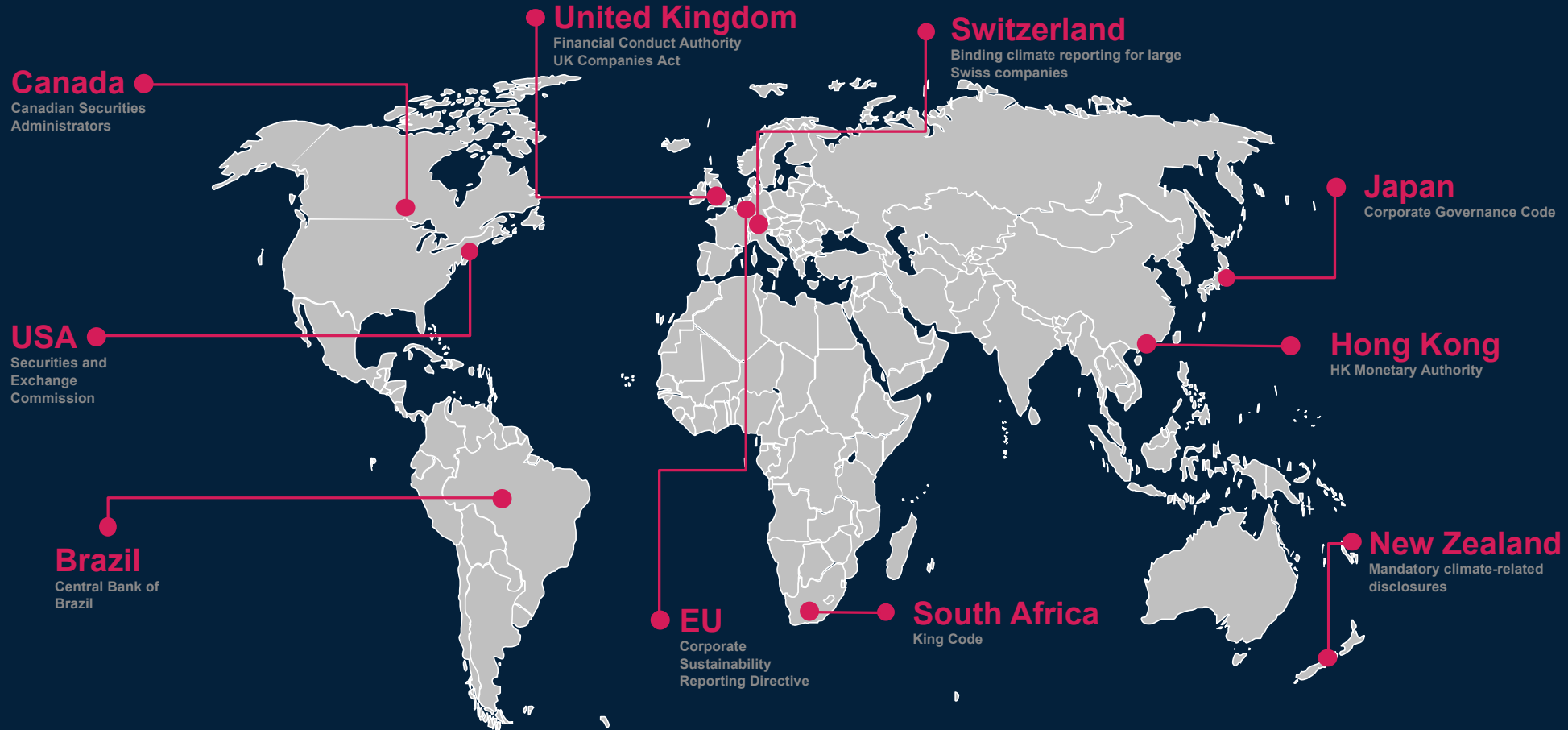


# 4. DIGITIZATION – TAGGING DATA

- MOVING BEYOND THE PDF
- MACHINE-READABLE
- CLEAR DEFINITIONS
- ESTABLISHED RELATIONSHIPS



# 5. LEGISLATION AND SUPERVISION



# 5. LEGISLATION AND SUPERVISION

## What a US-listed business might receive from the SEC:

SEPTEMBER 2021

NAME  
ABC CORPORATION  
ADDRESS

DEAR ISSUER:

WE HAVE REVIEWED YOUR FILING AND HAVE THE FOLLOWING COMMENTS REGARDING COMPLIANCE WITH THE TOPICS ADDRESSED IN THE COMMISSION'S 2010 GUIDANCE REGARDING DISCLOSURE RELATED TO CLIMATE CHANGE, RELEASE NO. 33-9106 (FEB. 2, 2010). IN SOME OF OUR COMMENTS, WE MAY ASK YOU TO PROVIDE US WITH INFORMATION SO WE MAY BETTER UNDERSTAND YOUR DISCLOSURE. PLEASE RESPOND TO THESE COMMENTS BY PROVIDING THE REQUESTED INFORMATION AND/OR REVISING OR UPDATING YOUR DISCLOSURE AS APPLICABLE. IF YOU DO NOT BELIEVE OUR COMMENTS APPLY TO YOUR FACTS AND CIRCUMSTANCES, PLEASE TELL US WHY IN YOUR RESPONSE.

...

THERE HAVE BEEN SIGNIFICANT DEVELOPMENTS IN FEDERAL AND STATE LEGISLATION AND REGULATION AND INTERNATIONAL ACCORDS REGARDING CLIMATE CHANGE THAT YOU HAVE NOT DISCUSSED IN YOUR FILING. PLEASE REVISE YOUR DISCLOSURE TO IDENTIFY MATERIAL PENDING OR EXISTING CLIMATE CHANGE-RELATED LEGISLATION, REGULATIONS, AND INTERNATIONAL ACCORDS AND DESCRIBE ANY MATERIAL EFFECT ON YOUR BUSINESS, FINANCIAL CONDITION, AND RESULTS OF OPERATIONS.

...

WE REMIND YOU THAT THE COMPANY AND ITS MANAGEMENT ARE RESPONSIBLE FOR THE ACCURACY AND ADEQUACY OF THEIR DISCLOSURES, NOTWITHSTANDING ANY REVIEW, COMMENTS, ACTION OR ABSENCE OF ACTION BY THE STAFF.

SINCERELY,

DIVISION OF CORPORATION FINANCE

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# THANK YOU

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