

04 Invitation to comment



CDSB invites comments on all aspects of its Exposure Draft, the Annex and in particular on the specific questions on the following page. Climate change is too formidable a problem to be addressed by regulators alone. CDSB therefore welcomes comments on its proposed Framework from any interested party, but in particular from four main stakeholder groups:

- **Business** is invited to comment on whether and how the CDSB Framework assists them in the preparation of disclosures and in developing and implementing their business strategies to take account of climate change;
- **Investors** are invited to comment on whether the CDSB Framework contains the right factors to elicit decision-useful information and the consistency of approach that is necessary for comparability;
- **The accounting profession** is invited to comment on how the CDSB Framework assists in its role in financial reporting standards setting, and as corporate reporting advisors and assurers; and
- **Regulatory agencies** in jurisdictions that already legislate on environmental disclosures or are contemplating such legislation are invited to comment on whether the CDSB Framework provides a useful model that may form the basis for statutory disclosures.

Respondents need not comment on all of the questions and are encouraged to comment on additional issues in the Exposure Draft.

Comments should be delivered to the CDSB Secretariat by **25 September 2009**. Comments may be delivered by e-mail to info@cdsb-global.org or by mail to:

CDSB Secretariat

The Carbon Disclosure Project
40 Bowling Green Lane
London EC1R 0NE
United Kingdom

All responses will be put on the public record via **CDSB's website (www.cdsb-global.org)** unless the respondent requests confidentiality.

Comments are most helpful if they:

- Respond to the questions as stated;
- Indicate the specific section to which the comments relate;
- Contain a clear rationale; and
- Suggest alternatives that the Board should consider.

Introductory questions

1. Do you agree that a single global framework for climate change-related disclosure in mainstream reports is necessary and/or possible, notwithstanding the background of different national developments? If not, please explain why.
2. Do you agree with CDSB's overall approach of aligning its Guiding Principles to existing relevant principles and objectives of financial reporting so as to elicit information of value primarily for investors? If not, please explain why and share with us your ideas for a new/different approach to climate change-related reporting.
3. At the current stage in its development, the CDSB Reporting Framework, including the Reporting Templates, are designed for general use by all companies within the stated scope of applicability. Do you agree that further work is required to develop the Reporting Framework, including the Reporting Templates, to take account of particular sector-specific issues related to climate change? If so, please provide your recommendations, referring to particular sector specific climate change-related initiatives if possible.

Characterizing decision-useful information

4. Do you agree with the principles and characteristics of decision-useful information that CDSB recommends for making judgments on the information to be disclosed under CDSB's Reporting Framework? If not, what additional principles or characteristics are required, or which ones suggested in the Framework would you change?
5. Do you agree that the CDSB characteristics of decision-useful information are practical for companies to apply and sufficient to limit the amount of information disclosed to the most relevant content for users? If not, what additional guidance or information do you suggest CDSB include?

Content

6. Do you agree with the content that CDSB recommends for potential inclusion in disclosures under the CDSB Reporting Framework? If not, what additional areas would you recommend or which types of information in the Reporting Templates would you change?
7. Does one or more of the jurisdictions in which you operate already have requirements for any of the content in the Reporting Templates to be disclosed according to local rules? If yes, are the requirements consistent with the proposed CDSB Framework including the Reporting Templates? If they are not consistent, what are the major areas of conflict or difference?
8. CDSB's proposed Reporting Framework requires companies to define and explain the performance measures and indicators they use to track and demonstrate their progress in responding to climate change. CDSB considers performance measures and indicators to be crucial elements of decision-useful information as they aid understanding and comparability over time, provided that consistent metrics are used year on year. Do you foresee particular challenges in setting and explaining performance measures and indicators, and using those metric on a consistent basis over time? If so, please explain those challenges.

Practicalities

9. How do you anticipate information for compliance with the CDSB Reporting Framework will be collected in your organization? If possible, please state whether in-house or proprietary software is likely to be used, which departments would be involved in the collection and review of information, and how long the annual information collection process is likely to take.
10. What practical issues do you envisage when disclosing under the CDSB Reporting Framework? For example, constraints on the length of the mainstream report or particular requirements applicable in the jurisdiction in which you operate. What could CDSB do to limit any practical difficulties associated with reporting under the CDSB Reporting Framework?
11. Is there anything else of relevance you would like to raise?