

## Inspiring global alignment through value creation

The IIRC's Global Conference 2019

The Corporate Reporting Dialogue 'Better Alignment' project: Driving better alignment and cutting clutter in business reporting - introduction and provocation



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# Better Alignment Project

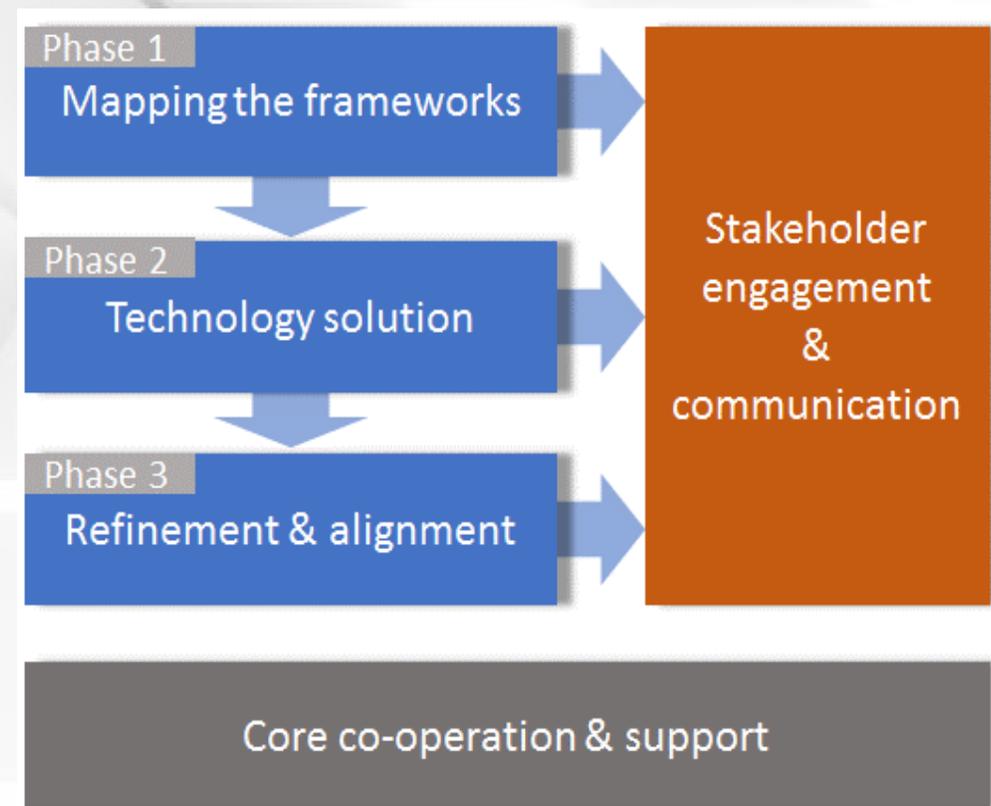
Ian Mackintosh, Chair Corporate Reporting Dialogue  
16 May 2019

# Objectives

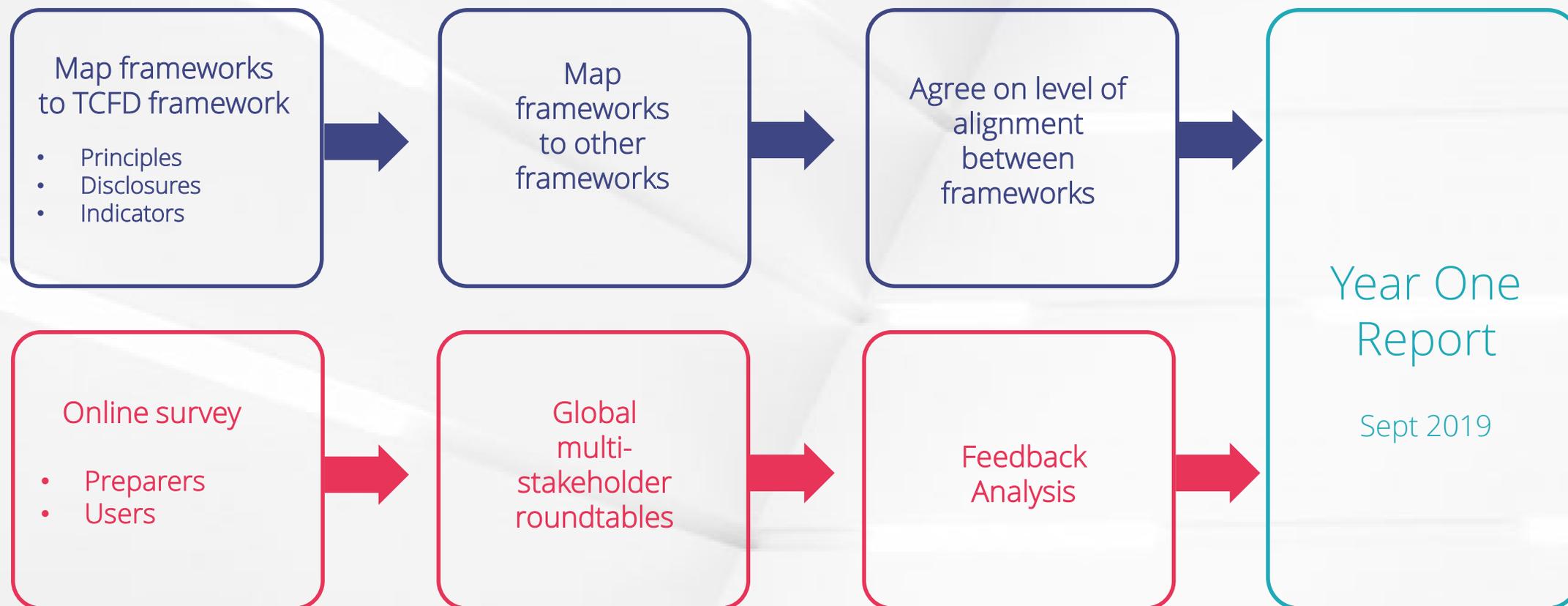
Mapping between frameworks to drive greater:

- *Coherence*
- *Consistency*
- *Comparability*

...with the purpose of assisting users (preparers and information users) to understand level of alignment, repurpose data, change required to systems and processes.

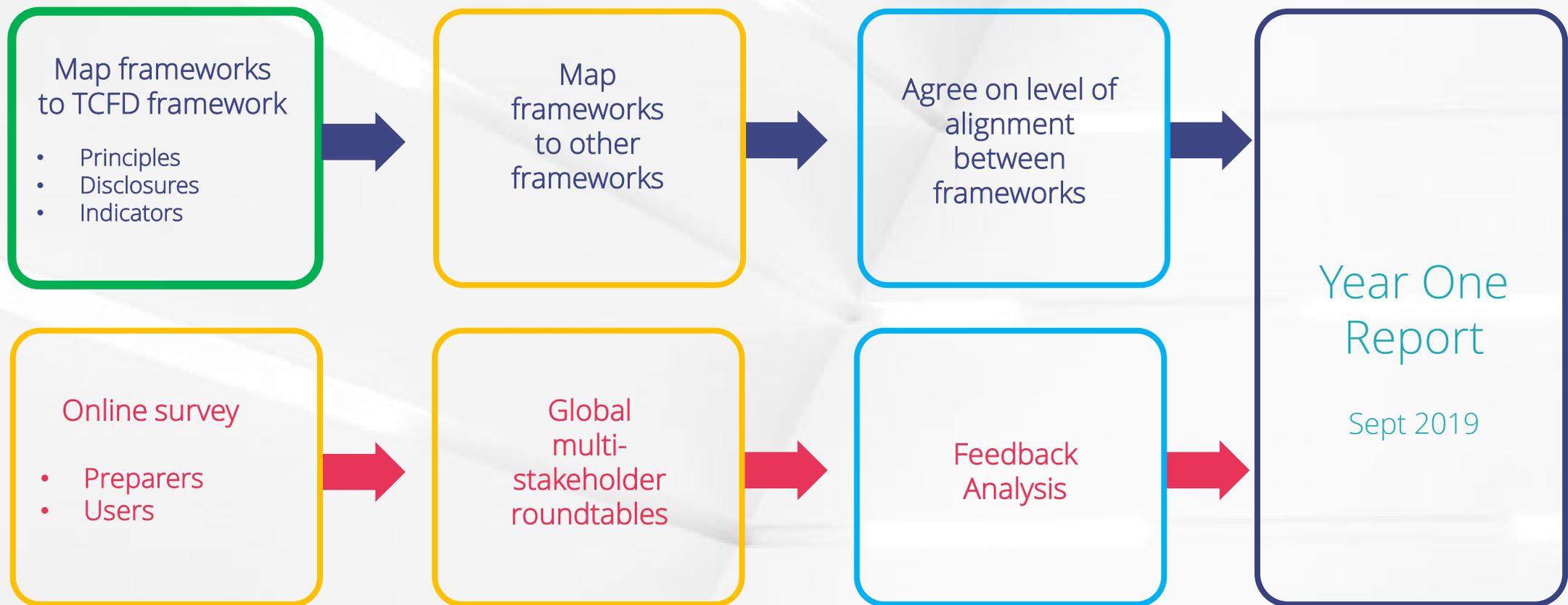


# Project elements



# Current Status

Completed    Under design  
In Progress    Planned



# Some key interim findings

- Frameworks are unified on the *principles*
- Frameworks collectively cover the TCFD *disclosure recommendations* and limited gaps will be relatively easy to fill for preparers
- Historical and inherent differences make alignment a long-term process, but essential misalignment will be limited expectedly
- Alignment opportunities lie beyond framework alignment at organisational level

# First results from survey

- ESG information and its integration will increase in the next 5 years
- The market is unclear on how the frameworks are complementary and how differences can be explained; the CRD needs to work on further clarification on this
- Preparers and users face issues from different methodologies and measures in the various frameworks
- Climate change is a key topic to address as a priority
- The links between ESG information and financial performance and strategy need to be further strengthened – equally this applies to links between ESG information and the achievement of the SDGs

# Road ahead

The way forward includes:

- CRD participants to continue with metrics alignment for all TCFD indicators
- Design of a 'one page overview' showing how the frameworks fit together
- Consider the input from the strategic consultation meeting (held yesterday)
- Opportunities for future alignment to be further investigated

# Alignment ideas beyond framework content

Opportunities for future alignment are up for discussion:

- Investigate potential for universal principles
- Work at organisation level towards a structural approach of updating frameworks (i.e. alignment of timelines)
- Agree on a convening (learning & exchange) platform of the technical teams to drive alignment at operational level
- Align beyond TCFD indicators where mapping between frameworks show opportunities for further alignment
- Build a dictionary/ guide that explains how the framework's terminologies that regard the same should be further translated from the one to the other
- Build a interactive tool that guides users of reporting frameworks to the framework that satisfies its needs

Thank you