



ACCOUNTING FOR **SUSTAINABILITY**

Part of The Prince of Wales's Charitable Foundation

SUPPORTING **THE FSB TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)**

**“Increasing transparency makes markets more
efficient, and economies more stable and
resilient.”**

Michael R. Bloomberg, Chair of the FSB TCFD



THE TCFD RECOMMENDATIONS

Climate change is one of the biggest social and economic risks the world faces today. Companies and investors are already being affected by the transition to a low carbon economy and the physical impacts of climate change, the effects of which will only increase over time.

The TCFD recommendations provide a framework for disclosing climate related risks and opportunities, going beyond current practices in two significant ways:

1. Inclusion in mainstream financial filings; and
2. Using scenario analysis to inform business strategy.

Consistent adoption of the recommendations will lead to:

- Effective measurement and improved company resilience;
- Informed decisions by investors; and
- Better evaluation of risks and exposures by lenders, insurers and underwriters.

The TCFD recommendations were published in June 2017 and can be downloaded at www.fsb-tcfid.org

“It’s fundamental for every good business to manage and communicate risks and opportunities. We are already obliged to disclose material risk. Climate change is no different.”

Graeme Pitkethly,
CFO, Unilever, and Vice Chair TCFD

LEADING THE WAY

Successful adoption relies on Chief Financial Officers (CFOs) leading on the implementation of the recommendations, accounting bodies guiding their members, and the investment world acting on the disclosures made.

A4S is working with these key groups to share knowledge and help overcome the challenges faced. Here are a few ways that you can get involved:



www.accountingforsustainability.org/tcfid

A4S STATEMENTS OF SUPPORT

CFOs, accounting bodies and investors are coming together to signal their commitment to adopt the recommendations. Find out who has already signed and how you can join – www.accountingforsustainability.org/tcfd

“Climate change presents significant risk and opportunity. It is not an issue that can be tackled alone. CFOs must come together and play a leadership role in response.”

Geraldine Matchett, Chief Financial Officer, Royal DSM, and Co-Chair, A4S CFO Leadership Network

“We must ensure that our management, our Boards and our investors have the information needed to act to address climate risk.”

Koushik Chatterjee, Executive Director & Chief Financial Officer, Tata Steel

“The TCFD recommendations provide a strong foundation from which to strive for more relevant and globally consistent corporate reporting on climate change issues.”

Joy Thomas, President and CEO, Chartered Professional Accountants of Canada (CPA Canada)

“Climate change is one of the biggest global threats we face and the finance sector needs to be more than equal to the challenge. The industry needs to step up to challenges posed - we need more action and we need it now.”

Emma Howard Boyd, Chair, Environment Agency and Chair, Investment Committee, Environment Agency Pension Fund



@PrincesA4S



accountingforsustainability@royal.gsx.gov.uk



The Prince's Accounting for Sustainability Project (A4S)



www.accountingforsustainability.org