



NOVEMBER, 2023

# SUSTAINABILITY ACRONYM KEY





# There are many acronyms in the world of sustainability.

Here are the most common ones in alphabetical order.

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## GENERAL

### **AICPA | American Institute of Certified Public Accountants**

A national non-profit professional organization of Certified Public Accountants in the United States.

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### **COP | Conference of the Parties**

The supreme governing body of the annual United Nations Climate Change Conference (also called “COP”), the COP’s main task is to review and assess progress made by parties in reducing their greenhouse gas emissions. The organization’s first conference was held in 1995.

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### **coso | Committee of Sponsoring Organizations of the Treadway Commission**

An organization that develops guidelines for businesses to evaluate internal controls, risk management, and fraud deterrence. In 1992, COSO issued its Internal Control - Integrated Framework. In 2023, it issued supplemental guidance for organizations to achieve effective internal control over sustainability reporting.

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### **ESG | Environmental, Social, Governance**

These are three factors that are often used to assess a company’s exposure to sustainability risks and opportunities that go beyond traditional financial analysis.

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### **GHGs | Greenhouse Gases**

GHGs are gases that trap heat in the earth’s atmosphere and thereby keep the planet’s atmosphere warmer than it otherwise would be. The six GHGs addressed in the Kyoto Protocol, an international treaty for controlling the release of GHGs from human activities, include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.

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### **SDGs | Sustainable Development Goals**

The SDGs are global priority targets aimed at promoting prosperity, while protecting the environment. The SDGs were developed by the United Nations and adopted in 2015 as part of the 2030 Agenda for Sustainable Development. The 17 SDGs cover social, economic and environmental development issues. The broad focus areas include ending poverty, improving health and education, reducing inequality, promoting economic growth, tackling climate change and preserving oceans and forests.

# SUSTAINABILITY STANDARDS

## **CDP | Carbon Disclosure Project**

A global non-profit that runs the world's largest environmental disclosure system for companies, cities, states and regions. Founded in 2000, nearly 20,000 organizations around the world disclosed data through CDP in 2022. CDP scores are widely used to drive investment and procurement decisions towards a zero-carbon, sustainable and resilient economy.

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## **CDSB | Climate Disclosure Standards Board**

An international consortium of business and environmental non-government organizations committed to advancing and aligning the global mainstream corporate reporting model to equate natural and social capital with financial capital. The CDSB Framework formed the basis for the Taskforce on Climate-related Financial Disclosures recommendations. The CDSB was consolidated into the International Sustainability Standards Board in June 2022.

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## **CSRD | Corporate Sustainability Reporting Directive**

A directive issued by the European Union that requires companies to report on the impact of corporate activities on the environment and society and requires the audit/assurance of reported information.

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## **CSSB | Canadian Sustainability Standards Board**

A Canadian standard setter that works with the International Sustainability Standards Board (ISSB) to support the uptake of ISSB standards in Canada, highlight key issues for the Canadian context, and facilitate interoperability between ISSB standards and any forthcoming CSSB standards.

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## **EFRAG | European Financial Reporting Advisory Group**

A private association established in 2001 with the encouragement of the European Commission to serve the public interest in both financial and sustainability reporting. EFRAG issued the first set of European Sustainability Reporting Standards.

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## **ESRS | European Sustainability Reporting Standards**

The ESRS are the first set of sustainability reporting standards adopted by the European Commission in July 2023 and are mandated by the European Union's Corporate Sustainability Reporting Directive.

## **IASB | International Accounting Standards Board**

An independent accounting standard-setting body that develops and approves International Financial Reporting Standards (IFRS). The IASB operates under the IFRS Foundation.

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## **IFAC | International Federation of Accountants**

A global organization for the accountancy profession. Founded in 1977, IFAC has 180 members and associates in 135 jurisdictions, representing millions of accountants in public practice, education, government service, industry and commerce. IFAC has four independent standard-setting boards that support the global economy and financial markets, including global standards for audit and assurance (IAASB), professional ethics (IESBA), public-sector financial reporting (IPSASB), and professional skills and competencies (IAESB).

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## **IFRS | International Financial Reporting Standards**

A set of accounting standards issued by the International Accounting Standards Board, the IFRS is used by public companies globally to make financial statements consistent and comparable.

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## **IR | Integrated Reporting**

A more comprehensive and holistic form of corporate reporting that connects and presents various corporate information, including financial statements, sustainability reports, annual reports and other disclosures. IR is based on the Integrated Reporting Framework published by the International Integrated Reporting Council.

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## **IIRC | International Integrated Reporting Council**

A global coalition of regulators, investors, companies, standard setters, the accounting profession, academia and NGOs and the IIRC was consolidated into the IFRS Foundation in June 2022.

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## **ISSB | International Sustainability Standards Board**

An international standard-setting board created in November 2021 under the IFRS Foundation and tasked with creating a global baseline for sustainability disclosure standards.

## **SASB | Sustainability Accounting Standards Board**

An independent non-profit organization that developed sustainability accounting standards (SASB Standards) for public corporations to disclose material, decision-useful information to investors. SASB Standards were developed for 77 industries. In August 2022, the International Sustainability Standards Board of the IFRS Foundation assumed responsibility for the SASB Standards.

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## **TCFD | Taskforce on Climate-related Financial Disclosures**

A taskforce created by the Financial Stability Board (FSB) to develop recommendations on the types of information that companies should disclose to support investors, lenders and insurance underwriters in assessing climate-related risks, opportunities and financial impacts. In 2017, the TCFD released climate-related financial disclosure recommendations, also known as the TCFD framework. With the publication of the IFRS S1 and IFRS S2 by the ISSB, the FSB has asked the IFRS Foundation to take over the TCFD's work from 2024.

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## **TNFD | Taskforce on Nature-related Financial Disclosures**

A set of disclosure recommendations and guidance for organizations to report and act on evolving nature-related dependencies, impacts, risks and opportunities.

## **SUSTAINABILITY REGULATIONS**

### **CSA | Canadian Securities Administrators**

A Canadian securities regulator. The CSA is an umbrella organization of Canada's provincial and territorial securities regulators whose objective is to improve, coordinate and harmonize regulation of the Canadian capital markets.

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### **D-SIB | Domestic Systemically Important Bank**

A bank that has assets exceeding 2% of national GDP and that could disrupt the domestic economy should it fail.

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### **FRFI | Federally Regulated Financial Institution**

In Canada, these FRFIs are regulated by the Office of the Superintendent of Financial Institutions. They include banks, and trust, loan, life insurance, and property and casualty insurance companies.

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### **IAIG | International Active Insurance Group**

Large insurance companies that operate and write premiums in multiple national jurisdictions. To effectively regulate IAIGs, one regulator may act as the group-wide supervisor for the entire IAIG across various global jurisdictions – a framework known as “ComFrame.”

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### **IOSCO | International Organizations of Securities Commissions**

An association of national securities regulators, recognized as the global standard setter for the securities sector.

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### **OSFI | The Office of the Superintendent of Financial Institutions**

A Canadian federal regulator that regulates financial institutions such as banks, and trust, loan, life insurance, and property and casualty insurance companies.

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### **SEC | Securities Exchange Commission**

An independent agency of the United States federal government. Founded in 1934 at the height of the Great Depression, the SEC's mission is to protect investors, maintain fair, orderly and efficient markets, and facilitate capital formation.