Integrated Reporting Taxonomy:
Extending IFRS & COREP

Speaker: María Mora (maria.mora@atos.net)
Agenda

• The **new Corporate Reporting model paradigm**

• **AECA and the Integrated Scoreboard** for Financial, Environmental, Social and Governance information (IS-FESG)

• The **ice** meaning in XBRL: IS-FESG Taxonomy

• **Early future:** Towards the corporate reporting ecosystem- *Integrated model*
The new Corporate Reporting model paradigm

Actual corporate reporting paradigm

Legal channels

Financial

Solvency

Corporate Responsibility/ Sustainability

Social

Environmental

Governance

Voluntary channels

Financial Reporting

Solvency

Corporate Responsibility

Social

Environmental

Governance

Voluntary Reporting

FINREP + XBRL

COREP + XBRL

FINREP + ?

COREP + ?

NO FINREP

NO COREP

Global Reporting Initiative

CARBON DISCLOSURE PROJECT

CGI-RSC

CCI-RSC

AECa

Global Reporting Initiative

CARBON DISCLOSURE PROJECT

CGI-RSC

CCI-RSC

AECa
Towards Integrated Reporting

INTEGRATED REPORTING (IR)

IIRC source: integrated reporting and the source information
The new Corporate Reporting model paradigm

Next step: looking for the integration and the transparency
What is AECA?

- AECA is the Spanish Association of Accounting and Business Administration.

AECA experience in sustainability projects

- Since 2006, AECA has been developing applied researches in the standardization of non-financial information, especially in the areas of environmental, social and corporate governance.

- Promoting the XBRL technology for reporting process, doing it valuable by companies and stakeholders.

The Integrated Reporting project working group

- AECA took the initiative in creating the **Integrated Reporting Working Group** in 2011.

The working group comprises academics, auditors, IT consultants, representatives from Bank of Spain, Spanish Securities Exchange Commission, Business Registers, XBRL jurisdiction and the five Spanish companies participating in the IIRC Pilot Programme: BBVA, ENAGAS, INDITEX, INDRA and TELEFONICA.
AECA and the Integrated Scoreboard for Financial, Environmental, Social and Governance information (IS-FESG)

Results

Framework

Integrated Scoreboard (IS-FESG)

Taxonomy

IS-FESG Taxonomy

Real reports

Early adopters

Analyzable

Verifiable

Homogeneous

domain

IT

applicability
AECA and the Integrated Scoreboard for Financial, Environmental, Social and Governance information (IS-FESG)

Technically, it is the moment: XBRL is ready

- 2003
- 2005
- 2009
- 2011

Formula 1.0 Specification

Dimensions 1.0 Specification

XBRL 2.1

DPM
The *ice* meaning in XBRL: IS-FESG Taxonomy

Integration

Connection

Extension
The **ice** meaning in XBRL: IS-FESG Taxonomy integration – connection - extension

The **integration** in the conceptual framework

Represent the **business reality** through a set of indicators

Complexity level
The **ice** meaning in **XBRL**: IS-FESG Taxonomy integration – connection - extension

The **integration**: XBRL enabled technology

**Data Point Model + Dimensions + Formulas**
The *ice* meaning in XBRL: IS-FESG Taxonomy integration – *connection* - extension

The **connection** with financial frameworks in the **IS-FESG Taxonomy**
The **ice** meaning in XBRL: IS-FESG Taxonomy integration – **connection** - extension

The **connection** with financial frameworks in the IS-FESG Taxonomy

![Diagram showing integration between IS-FESG, XBRL, AECA, and IFRS, with expressions like "Suppliers expenses = [320000] Raw materials and consumables used + [320000] Other expenses".](image-url)
The **ice** meaning in XBRL: IS-FESG Taxonomy integration – **connection** - extension

The **connection**: XBRL enabled technology

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Formula Specification 1.0

Suppliers expenses = [320000] Raw materials and consumables used + [320000] Other expenses
**The *ice* meaning in XBRL: IS-FESG Taxonomy integration – connection - extension**

**Connection results: Nurturing the corporate reporting ecosystem**

The companies **report** their **financial** situation by legal requirements.

The financial dimension in an **integrated report** is directly nurtured thanks to the **connection** defined in the IS-FESG XBRL taxonomy.
The **ice** meaning in XBRL: IS-FESG Taxonomy integration – connection - **extension**

**COREP extension** in the IS-FESG Taxonomy

> The firms must define their **own risks concepts**
  > from **different natures** (financial, environmental, social and governance)
  > classified by **strategic objectives**
  > aligned with the **loss events according to Basel** framework
> **Internal management orientation**
### XBRL 2.1 Specification

#### XBRL Week in Frankfurt 2012

### The **ice** meaning in XBRL: IS-FESG Taxonomy integration – connection - extension

**COREP extension** in the IS-FESG Taxonomy: XBRL enabled technology

#### XBRL 2.1 Specification

<table>
<thead>
<tr>
<th>EVENT TYPES</th>
<th>TOTAL EVENT TYPES</th>
<th>MEMORANDUM ITEM: THRESHOLD APPLIED IN DATA COLLECTION</th>
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<td>EXTERNAL FRAUD</td>
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<td>EMPLOYMENT PRACTICES AND WORKPLACE SAFETY</td>
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<td>CLIENTS, PRODUCTS &amp; BUSINESS PRACTICES</td>
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<td>DAMAGE TO PHYSICAL ASSETS</td>
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<td>BUSINESS DISRUPTION AND SYSTEM FAILURES</td>
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<tr>
<td>EXECUTION, DELIVERY &amp; PROCESS MANAGEMENT</td>
<td>7</td>
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<tr>
<td>Number of events</td>
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<tr>
<td>Total loss amount</td>
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<tr>
<td>Maximum single loss</td>
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#### KRI_E1

**Energy efficiency and emission**

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#### KRI_E2

**Waste management efficiency**

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#### Social indicators

**Human Capital**

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**Core Objectives**

The entity will perform an internal classification of the activities and evaluation.

**Strategic Objectives**

- Financial indicators
- Economic efficiency
- Number of events
- Total loss amount
- Maximum single loss

- Environmental indicators
- Energy efficiency and emission
- Number of events
- Total loss amount
- Maximum single loss

- Waste management efficiency
- Human Capital
- Number of events
- Total loss amount
- Maximum single loss

**Core Objectives**

- XBRL 2.1 Specification
- XBRL Week in Frankfurt 2012
- p. 17
The **ice** meaning in XBRL: IS-FESG Taxonomy integration – connection - **extension**

Solvency framework Basel **extension** in the IS-FESG Taxonomy

- **Pillar I**
  - Capital requirement
    - Credit risk
    - Market risk
    - Operational risk
  - Supervision authority
  - Market discipline

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Early future: Towards the corporate reporting ecosystem - Integrated model
“With Integrated Reporting it is possible to anticipate as competitive advantage what tomorrow will be required by regulators”

Thank you for your attention

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