Davis Polk

SEC Sustainability Disclosure Search Tool Released This Week

January 15, 2016 | Client Update | 2-minute read

Ceres, an environmental nonprofit organization, released this week an SEC Sustainability Disclosure Search Tool. This tool, available **here**, is the next step in Ceres's campaign for increased, and more transparent and comparable, climate change and other sustainability disclosure. (See prior blog posts on this topic available **here**, **here**, and **here**.

The search tool allows registered users to access summary reports which reproduce the climate change, carbon asset risk, hydraulic fracking and water disclosure filed with the SEC by 5,300 public companies, spanning various industries (such as Banks & Financial Services, Mining and Oil & Gas) and indices (S&P 500, Russell 3000 and FT Global 500). Users can create watch lists to monitor a specific company's or industry's progress.

The Carbon Asset Risk Report for a given company provides a percentage disclosure breakdown of whether the company provides disclosure on general climate matters, oil and gas reserves, accounting treatment and a "low carbon scenario." Similarly, the Climate Risk Report for a given company provides a percentage disclosure breakdown comparing the amounts of non-specific climate disclosure, specific regulatory or physical risk disclosure and disclosure on renewable energy / clean technology / energy efficiency. The accuracy of the reports depends on the accuracy of the underlying search tools and terms used by Ceres to generate them. Further, given the content and structure of these reports, they may be valuing quantity of disclosure over quality.

Undoubtedly Ceres is hoping investors, shareholder resolution proponents, regulators and other third parties will use this tool to assess the breadth of company disclosure and make comparisons between industry peers. Public companies may wish to view the various reports based on their disclosure as well as those of their peers. Reports are currently based on company disclosure as of December 31, 2014; once 2015 10-Ks are filed in the next several weeks, the Ceres reports may become stale unless they are updated with this new disclosure.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

Michael Comstock
+1 212 450 4374
michael.comstock@davispolk.com

This communication, which we believe may be of interest to our clients and friends of the firm, is for general information only. It is not a full analysis of the matters presented and should not be relied upon as legal advice. This may be considered attorney advertising in some jurisdictions. Please refer to the firm's privacy notice for further details.