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Unlike GRI-based sustainability reporting, integrated reporting has not yet achieved widespread global uptake, although it has been adopted to acclaim by several world-leading companies. Perhaps greater uptake will be achieved if major pension organizations follow the advice in a recent letter to them<sup>53</sup> about “The Future of Stakeholder Communications.”

Global reporting standards for multi-stakeholder focused reporting on sustainability would be primarily the remit of the GRI’s GSSB, but in collaboration with not only the Value Reporting Foundation (with its SASB expertise) but also with others, for example the Capitals Coalition<sup>54</sup> for measurement and reporting on natural, social and human capitals, the Future Fit Business Benchmark,<sup>55</sup> and the UNDP and WBCSD<sup>56</sup> for reporting according to the UN SDGs. In some jurisdictions, under the new Public Accountability Statement regime, sustainability reporting would also be made mandatory, at least for public companies and large private ones where the new Public Accountability Statement alone cannot provide the depth of information called for about impacts on capitals.

Global reporting standards for the three primary components of reporting to investors (and other providers of financial capital) on enterprise financial value creation would be those of the IASB and the ISSB. With continuing IOSCO encouragement, these standards would become mandatory in all jurisdictions, as well as mandatory in the USA under SEC rules.

Finally, reporting and disclosure standards setting within this architecture would need to be coordinated globally by a panel comprising the IASB, ISSB (which includes the Value Reporting Foundation’s IIRC and SASB) and the GRI’s GSSB.

### **Essential: Fundamental Shifts in Mindsets and Accounting Education**

The future usefulness of corporate reporting beyond financial statements and the development of comprehensive, fit-for-purpose reporting standards beyond IFRS call for standard setters, legislators, regulators and accountants to recognize the paradigm shifts described in this article – shifts that forward-looking business enterprises, CEOs, investors and, as pointed out earlier, prominent, influential thought leaders are already recognizing and, indeed, supporting. Corporations and their stakeholders need to be viewed within a broader systems-thinking lens to recognize and understand who is accountable to whom and for what so that the planet may continue indefinitely to support human life and economies.

There must be universal recognition of the holistic concept that enterprise value creation over time for the benefit of all stakeholders depends on interactions between connected, interdependent systems of natural, social and man-made resources. Continuing to think only in terms of earning short-term returns for shareholders is like believing the Earth is flat or, pre-Copernicus, the centre of the universe.



