External developments - 2016

**European Commission** launched a public consultation on the EU guidelines for non-financial reporting aimed at improving the transparency of large EU companies.

**GRI** (Global Reporting Initiative) organized a public consultation on the recently developed Standards.

**SASB** (Standards Accountability Sustainability Board) established in the US in 2003, organized a consultation on its Provisional Standards.


**Task Force on climate-related financial disclosures** established after COP21 seek to develop recommendations for voluntary climate-related financial disclosures.
Overview of the Financial System

Goal
Flow and allocation of financial capital

Financial system
- Fast events, known liabilities
- Monetized, oblique, sales-based
- Quarterly information flow to the market
- Legal boundary focused

Regulators
Governments
Standard-setters
Whole systems approach with focus on financial performance and markets

[Diagram showing value and dependency with categories: Financial, Manufactured, Social, Human, Biotic, Abiotic, Natural, Capital-related thresholds, e.g., Gini Index, Inclusive Wealth Index, e.g., HDI - Human Development Index, e.g., Planetary Boundaries]
Overview of the non-Financial System
Overview of the non-Financial System

Financial system:
- Past events, known liabilities
- Monetised, obliges, stake-based
- Quarterly information flow to the market
- Legal boundary focused

Non-financial system:
- Future events, risks
- Qualitative, oblique, non-monetised, principles-based
- Irregular information flow to the market
- Value chain focused

Governments
Regulators
Standard-setters
Social capital
Natural capital
Voluntary standard-setters