

Hacking Sustainability Standards to Achieve Authentic Sustainability

International Council on Systems
Engineering (INCOSE)
Sustainability Webinar Series (SWS)

29 October 2025

Bill Baue | Senior Director | r3.0



**Measuring
sustainability,
the authentic way.**



Sustainability Standards 2023: Flying High!



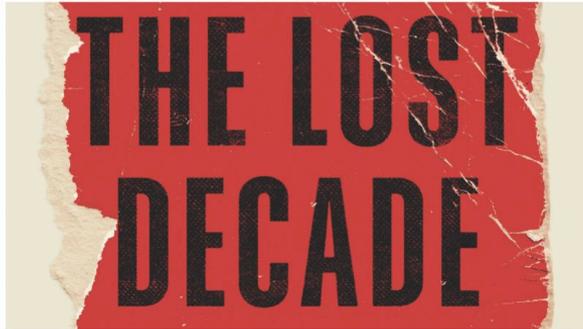
Sustainability Standards 2023: Flying High...



The Lost Decade: Sustainability Standards Sabotage Sustainability



The Lost Decade: Sustainability Standards Sabotage Sustainability



By Bill Baue

August 2023

A Common Good Resource Paper from r3.0 (Redesign for Resilience & Regeneration)



Lost Decade (1): 2002 - 2013

2002 GRI G2: Sustainability Context

2006 GRI G3: Materiality + Sustainability Context

2011 GRI G3.1: Materiality ~~+ Sustainability Context~~

2013 GRI G4: ~~Sustainability Context Guidance~~

2013 SASB *Conceptual Framework*: Sustainability ~~= Thresholds~~

2013 IIRC *<IR> Framework*: ~~Carrying Capacities of the Capitals~~



- Sustainability reporting draw significant meaning from the larger context of **how performance at the organizational level affects economic, environmental, and social capital formation and depletion at a local, regional, or global level.**
- Simply reporting on **the trend in individual performance (or the efficiency of the organization)** leaves open the question of an organization’s contribution to the total amount of these different types of capital.
- Placing performance information in the broader biophysical, social, and economic context lies at the **heart of sustainability reporting.**
- Reporting organizations should consider their **individual performance ... in the context of the limits and demands** placed on economic, environmental, or social resources at a macro-level.

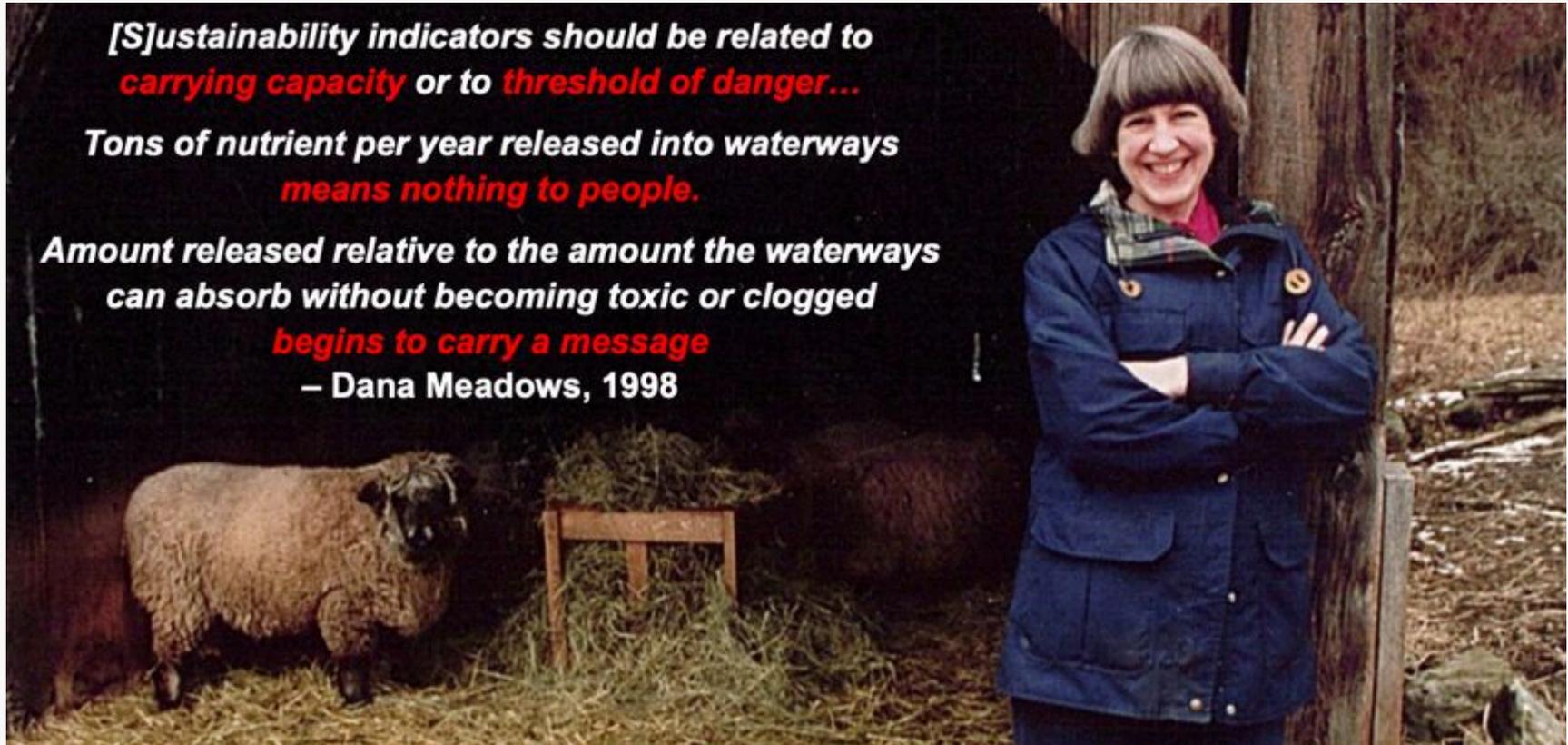
Carrying Capacity: From Plato (360 BCE) to the Plimsoll Line (1876)

A suitable total for the number of citizens cannot be fixed without considering the land and the neighboring states. The land must be extensive enough to support a given number of people in modest comfort, and not a foot more is needed.

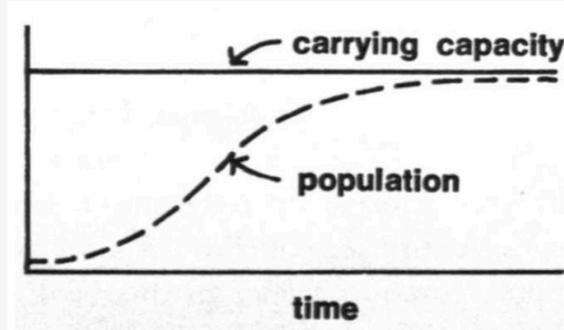
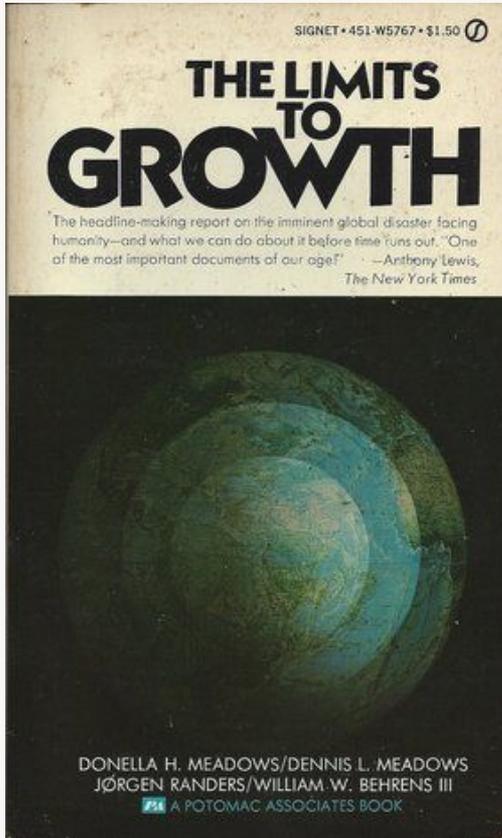
Plato, *Laws*, Book V, 360 BCE



Limits & Demands = Carrying Capacity / Thresholds

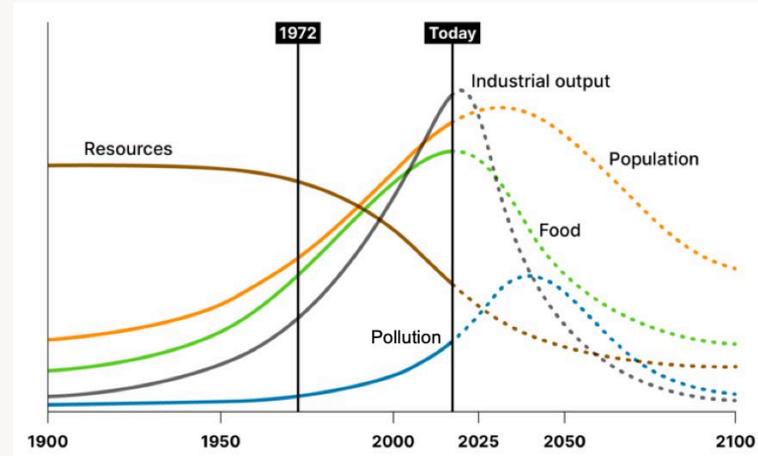


Limits to Growth: Carrying Capacity | Overshoot & Collapse (1972)



EXACT MATCHES ① 5

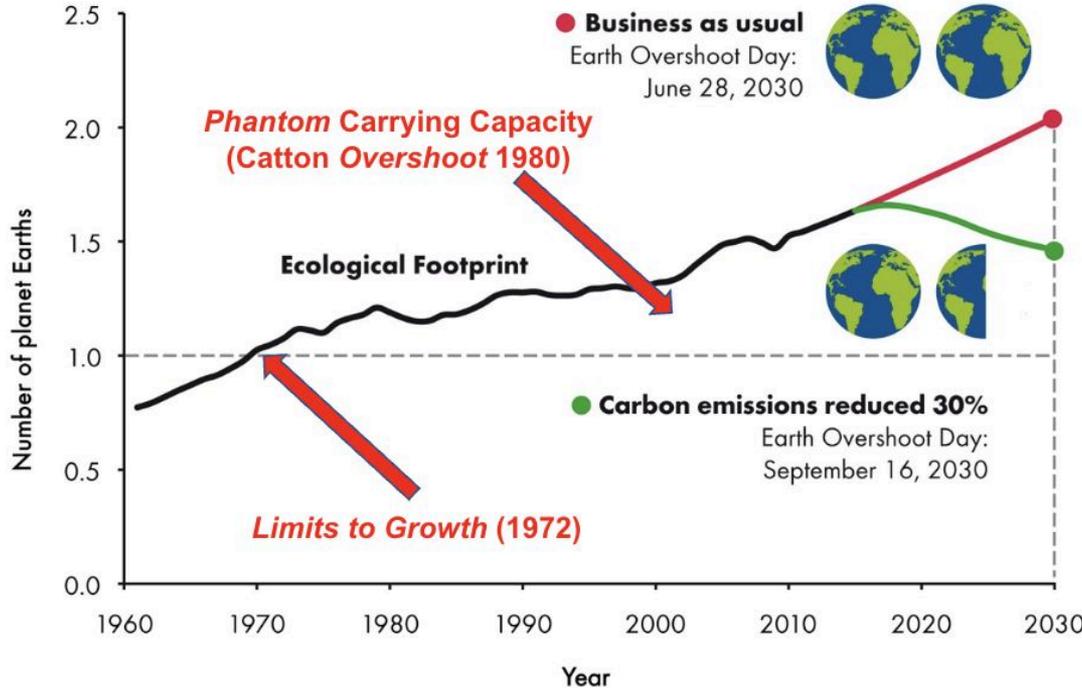
overshoot and collapse 5



The behavior mode of the system shown in figure 35 is clearly that of **overshoot and collapse**. In this run the collapse occurs because of nonrenewable resource depletion. The indus-

Earth Overshoot (1971) → Phantom Carrying Capacity

How many Earths does it take to support humanity?



← **Overshoot-er**

← **Still Overshoot**

← **Overshoot**

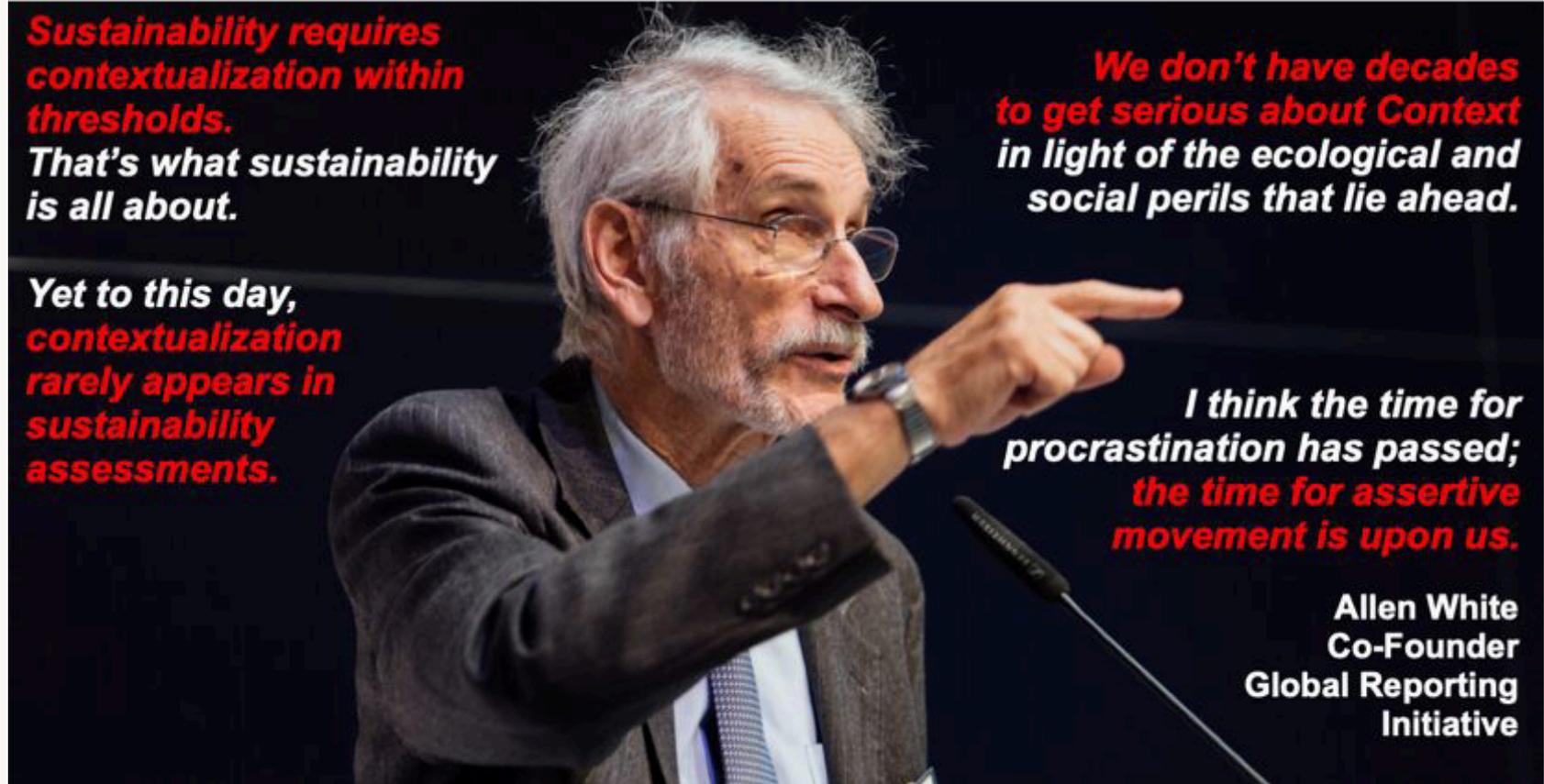
“Phantom carrying capacity means either the illusory or the extremely precarious capacity of an environment to support a given life form or a given way of living. It can be quantitatively expressed as that portion of a population that cannot be permanently supported when temporarily available resources become unavailable.” (Catton 1980)

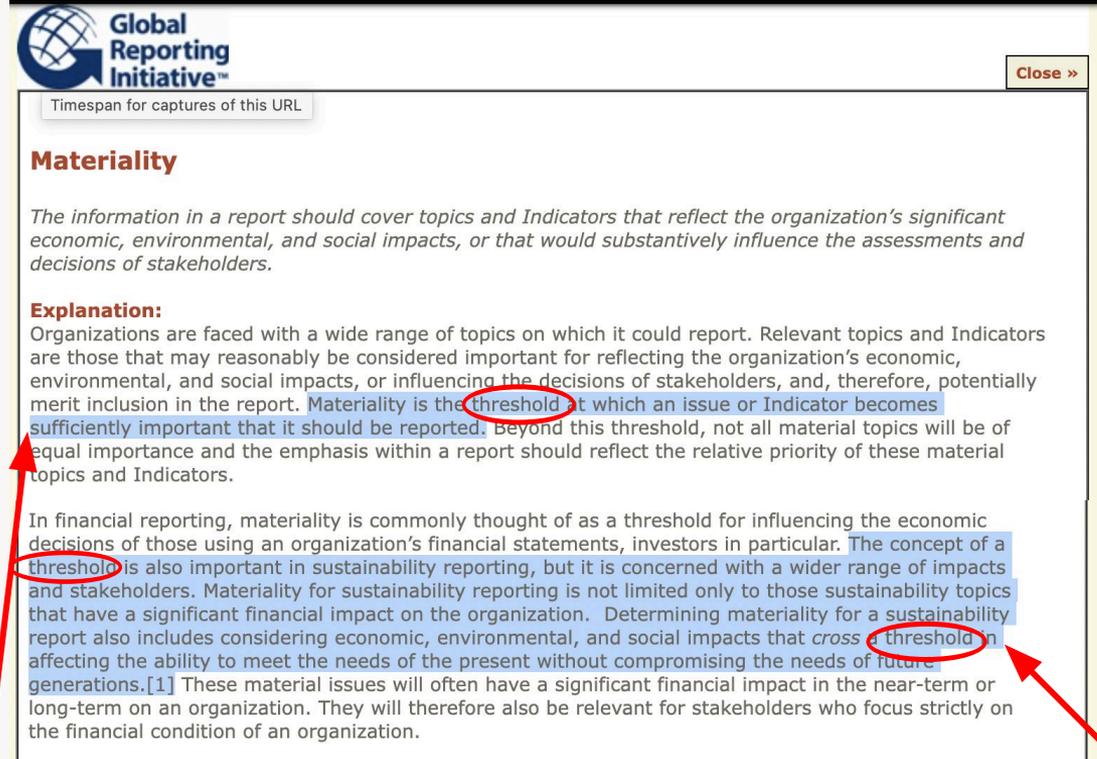
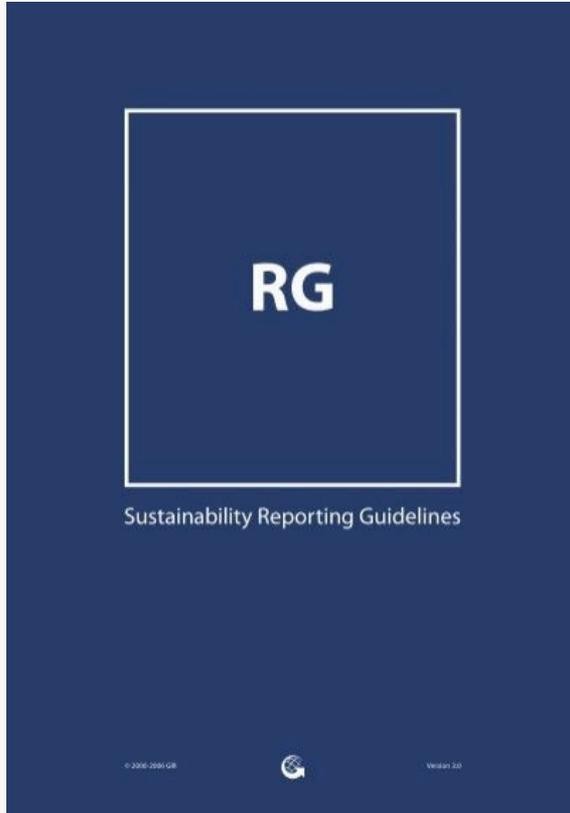
Sustainability Quotient: $S = \frac{A}{N}$

Sustainability = $\frac{\text{Actual Impacts}^*}{\text{Normative Impacts}^*}$ $\left(\frac{\text{Numeration}}{\text{Denomination}} \right)$

**On the Carrying Capacities of Vital Capital Resources*

Source: Mark McElroy, [Social Footprints](#), 2008





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Materiality

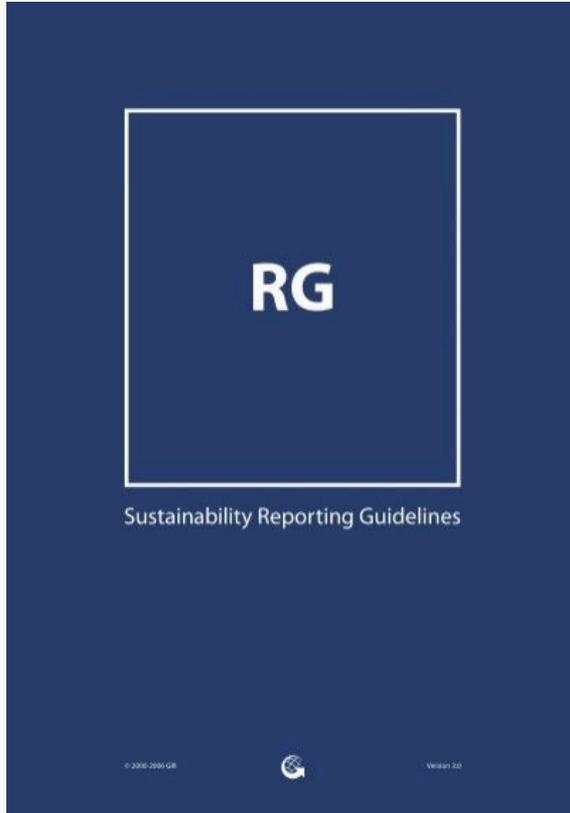
The information in a report should cover topics and Indicators that reflect the organization's significant economic, environmental, and social impacts, or that would substantively influence the assessments and decisions of stakeholders.

Explanation:
Organizations are faced with a wide range of topics on which it could report. Relevant topics and Indicators are those that may reasonably be considered important for reflecting the organization's economic, environmental, and social impacts, or influencing the decisions of stakeholders, and, therefore, potentially merit inclusion in the report. Materiality is the threshold at which an issue or Indicator becomes sufficiently important that it should be reported. Beyond this threshold, not all material topics will be of equal importance and the emphasis within a report should reflect the relative priority of these material topics and Indicators.

In financial reporting, materiality is commonly thought of as a threshold for influencing the economic decisions of those using an organization's financial statements, investors in particular. The concept of a threshold is also important in sustainability reporting, but it is concerned with a wider range of impacts and stakeholders. Materiality for sustainability reporting is not limited only to those sustainability topics that have a significant financial impact on the organization. Determining materiality for a sustainability report also includes considering economic, environmental, and social impacts that cross a threshold in affecting the ability to meet the needs of the present without compromising the needs of future generations.[1] These material issues will often have a significant financial impact in the near-term or long-term on an organization. They will therefore also be relevant for stakeholders who focus strictly on the financial condition of an organization.

Materiality Thresholds

Sustainability Thresholds



“The reporting organization should provide two concise narrative sections on key impacts, risks, and opportunities.

Section One should focus on the **organization’s key impacts on sustainability and effects on stakeholders**, including rights as defined by national laws and relevant internationally agreed standards. This should take into account the range of reasonable expectations and interests of the organization’s stakeholders...

Inside-Out

Section Two should focus on the **impact of sustainability trends, risks, and opportunities on the long-term prospects and financial performance of the organization**. This should concentrate specifically on information relevant to financial stakeholders or that could become so in the future.”

Outside-In

GRI 2006: Enter the Materiality Matrix (G3)

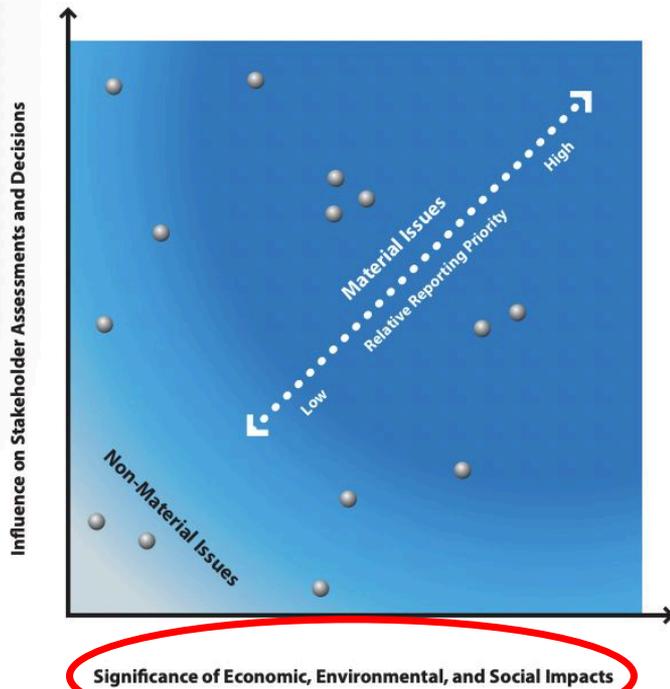


Figure 4: Defining Materiality

GRI 2011: Enter the Sustainability Sabotage (G3.1)

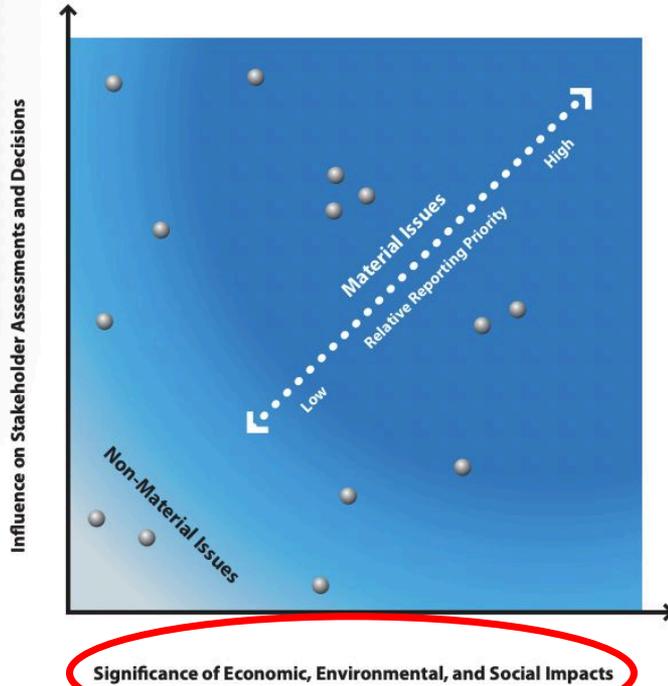


Figure 4: Defining Materiality

“quick sleight of hand”
–Stephanie Bertels, Embedding Project

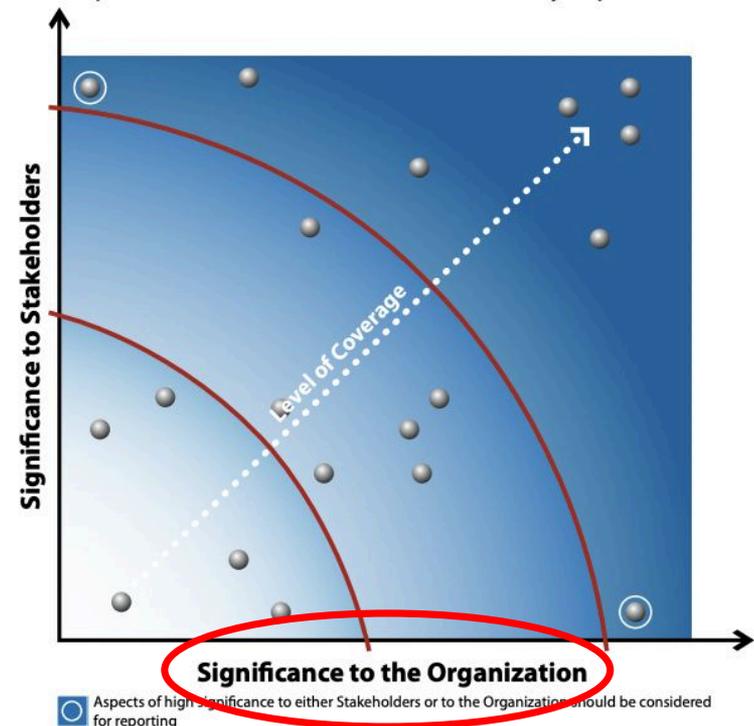
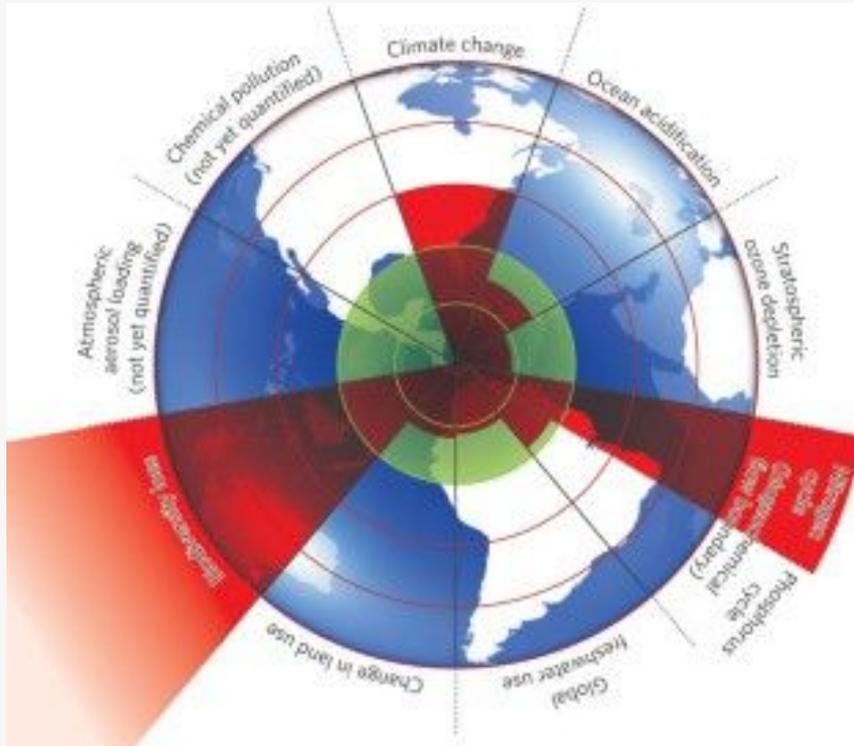
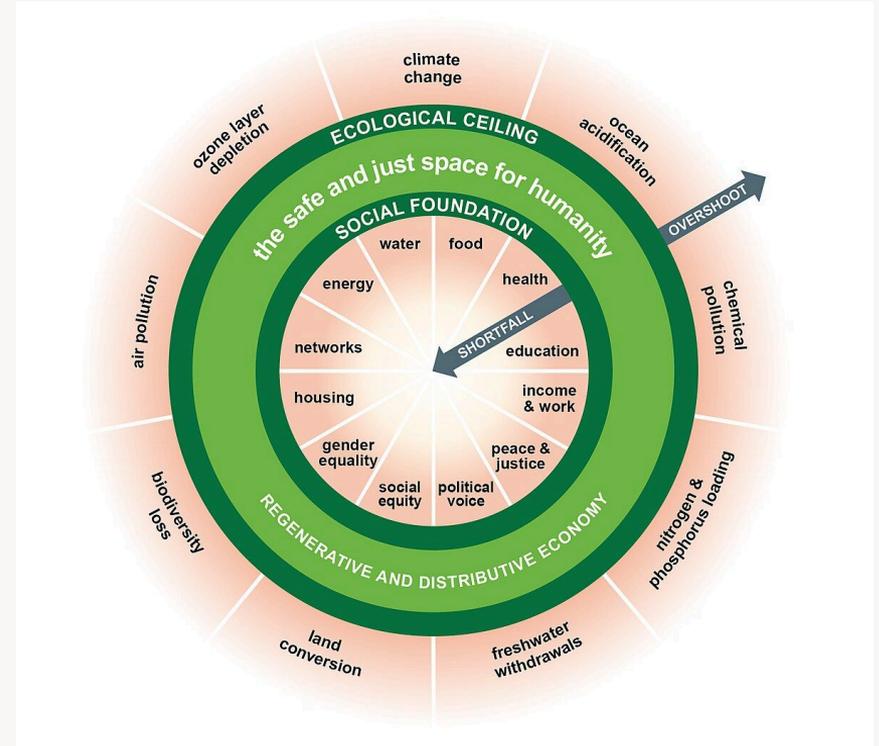


Figure 3: Relative reporting priority

Planetary Boundaries (2009)



Doughnut (2012)



SCG 2012: 66 Experts Urge GRI to Enhance Guidance on Context

Signatories to September 24, 2012 Public Comment by SCG to GRI
During 2nd Public Comment Period re: G4 Exposure Draft

1. Michele Andreas, University of Trento
2. Alan AtKisson, The AtKisson Group
3. Andy Barker, Social Mission Specialist, Ben & Jerry's Homemade, Inc.
4. Bill Baue, Corporate Sustainability Architect
5. Jan Bebbington, University of St. Andrews
6. Eric Becker, Clean Yield Asset Management*
7. Mike Bellamente, Climate Counts*
8. Stephanie Bertels, Simon Fraser University
9. John Byrd, University of Colorado Denver
10. Kyle Cahill, Blue Cross Blue Shield Massachusetts
11. Karin Chamberlain, Consultant, First Peoples Worldwide
12. Charles Cho, ESSEC Business School
13. Yara Cintra, Fundacao Getulio Vargas
14. Bob Costanza, Portland State University
15. Peter Crowell, Marlboro Sustainability MBA, Antioch University Sustainability MBA
16. Chelsea Davidoff, Cabot Creamery Cooperative*
17. Jed Davis, Cabot Creamery Cooperative*
18. Bob Doppelt, The Resource Innovation Group
19. John Elkington, Volans Ventures
20. Gil Friend, Natural Logic, Inc.
21. Rob Gray, University of St. Andrews
22. Sue Gray, University of St. Andrews
23. Alexandra Groezinger, Cabot Creamery Cooperative*
24. Marc Gunther, Journalist
25. Henk Hadders, University of Groningen
26. Rick Hausman, Clean Yield Asset Management*
27. Barbara Heinzen, Independent Consultant, BarbaraHeinzen.com
28. Adrian Henriques, Middlesex University
29. Bart Houlihan, B Lab
30. Valéry Kalemba, Independent Research Analyst
31. Cary Krosinsky, Trucost
32. Laurie Lane-Zucker, Hotfrog.org
33. Chris Laszlo, Case Western Reserve University
34. Deborah Leipziger, Sustainability Lexicon Project
35. Eric Lowitt, EricLowitt.com
36. Poonam Madan, Genesis Burson-Marsteller
37. Jacob Mayne, New Angles
38. Mark McCloy, Center for Sustainable Organizations*
39. Edward Tello Melendez, Macquarie University
40. Giovanna Michelon, University of Padova
41. Markus Milne, University of Canterbury
42. Marcy Murningham, MurninghamPost



Statement to GRI on the Need to Enhance Treatment Of the Sustainability Context Principle in G4

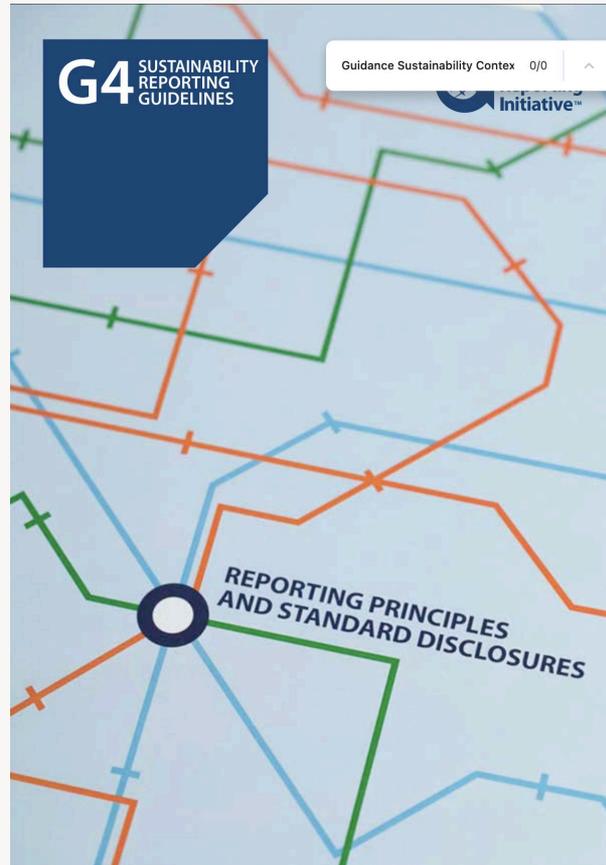
Submitted by Members of the Sustainability Context Group
September 24, 2012

Rationale and Background on the Issue of Context

Although GRI's *Guidelines* currently do advocate for the inclusion of *Sustainability Context* in organizational reports, they fail to provide specific guidance for how to do so. Because of this lack of guidance, very few GRI-based sustainability reports have ever actually included such context – and yet without it, there can be no true or authentic sustainability reporting, in our opinion. For the sake of the credibility – and *usefulness* – of sustainability reporting, it is vitally important that this shortcoming be resolved, and that GRI take steps to include specific guidance in G4 for how to implement *Sustainability Context* in contemporary reporting.

43. Den Patten, Illinois State University
44. Karl Pfaltzgraf, BPA Worldwide
45. Matthew Polsky, Institute for Sustainable Enterprise
46. Tames Rietdijk, Bright Exchange
47. Bill Russell, SustainEdge
48. Maryam Sadeghi, University of Sheffield
49. Mohamed Saedy, Keele University
50. Roger Saillant, Case Western University
51. Maria Sillanpaa, Sustainability Advisory Group
52. Chris Soderquist, Pontifex Consulting
53. Lorna Stevenson, University of St. Andrews
54. Martin Thomas, call4change*
55. Ralph Thurm, Founder & Managing Director, A|HEAD|ahead
56. Mark Tulay, Global Initiative for Sustainability Ratings
57. Chris Tuppen, Advancing Sustainability LLP
58. Liz Umlas, Independent Human Rights Researcher
59. Jo van Engelen, TU Delft
60. Wayne Visser, CSR International & Kaleidoscope Futures
61. Dimitar Vlahov, Sustainable Life Media
62. Mathis Wackernagel, Global Footprint Network
63. David Waldron, Synapse Strategies
64. Allen White, Tellus Institute
65. Andrew Winston, Winston Eco-Strategies
66. Jennifer Woolter, Strategic Sustainability Consulting*

GRI 2013: Additional Guidance on Sustainability Context in G4: 0

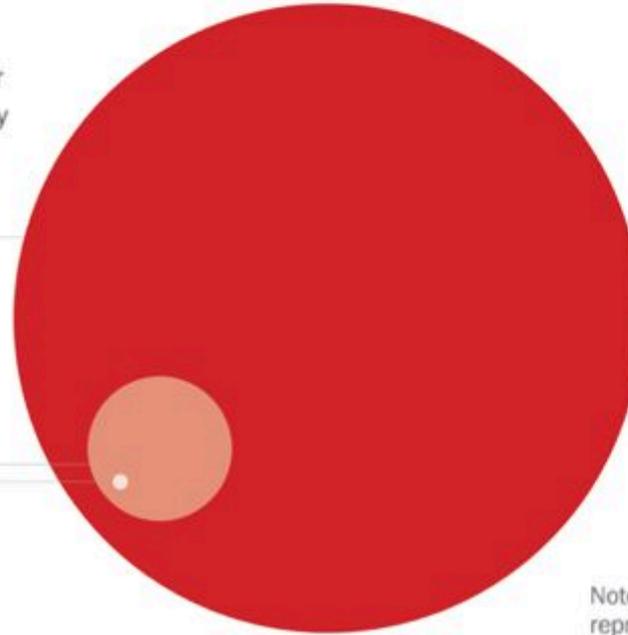


GRI [Sustainability Reporting Guidelines](#) (G4) 2013

Is Earth recognized as a finite system in corporate responsibility reporting?

In a 2017 study published in the peer-reviewed *Journal of Cleaner Production*, Danish researchers systematically reviewed references to "ecological limits" (and similar keywords) in 40,000 corporate responsibility reports issued between 2000 and 2013.

- 40,000 Corporate Responsibility Reports (2000-2013)
- ≈ 5% of companies referred to ecological limits in any year
- Of the ≈ 12,000 companies in the study universe, only 31 (0.258%) disclosed plans to align performance or products to such limits.



Note on sizing: percentages represented accurately to scale.

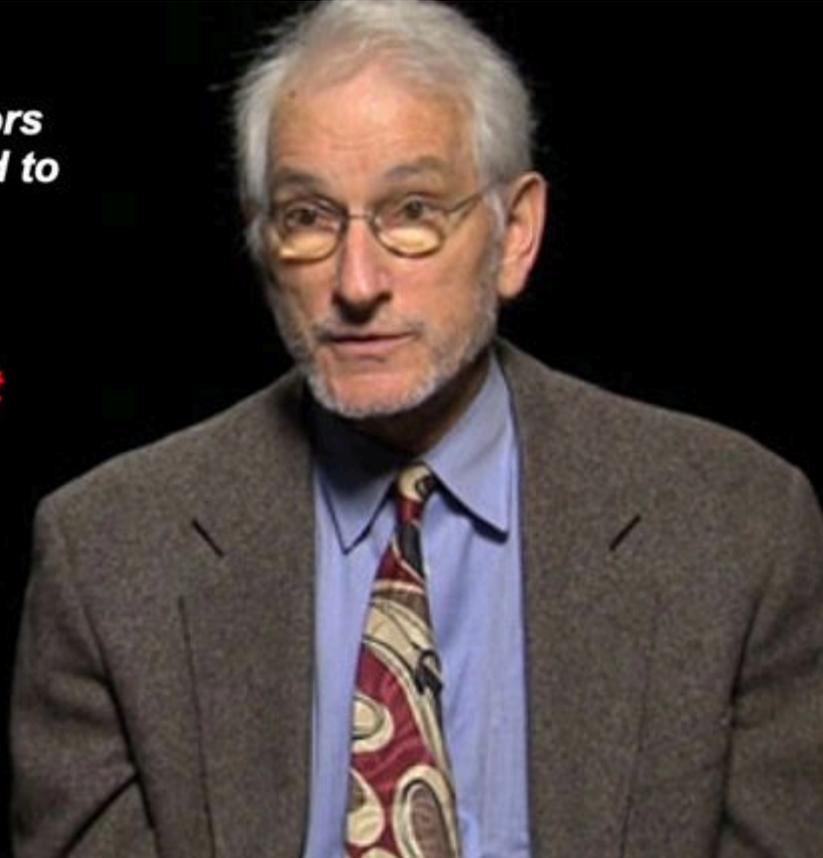
Data: Bjorn et al [Is Earth Recognized as a finite system in corporate reporting?](#) 2017

Image: Baue [Compared to What?](#) 2019

We need to move beyond incrementalist 'numeration' indicators & add 'denomination' indicators tied to upper (ecological ceilings) & lower (social foundations) thresholds.

Sustainability measurement without this context is simply not sustainability measurement.

**Allen White
Co-Founder
Global Reporting Initiative**





Accounting for a
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APPROACH

[What is "Sustainability"?](#)

[SASB Principles](#)

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[Wall Street Cares If Companies Are Sustainable – Environmental Leader](#)

[US companies urged to put natural capital in accounts](#)

Context

SASB recognizes the importance of context, incorporating it into our approach in several ways:

Peer to peer comparison. First and foremost, SASB standards allow for the comparison of a company's performance on key dimensions of sustainability with respect to its peers. Benchmarking with respect to industry norms provides essential context for stakeholders, and helps investors to discern differences between how companies manage resources that are vital to the business totality of impacts and oppo

Industry to industry compar comparison, in terms of reso presents the relative materia concerned with the effect of investors can weight portfoli

Materiality Adjustment. S/ considers long term, systemi issue in response to risks pos

Context Statements. SASB w These industry briefs will describe the attributes of a sustainable industry, the drivers of value, systemic material issues facing the industry (including resource depletion), and the key metrics by which sustainable value creation can be measured for material issues. Qualitative descriptions will be provided that interpret material sustainability issues in the context of each industry. For example, climate change may be material in real estate, insurance, and health care, but it means very different things in terms of mitigation and adaptation, and therefore business risks and opportunities, for each of those industries.

Proponents of context-based sustainability argue for the measurement, management, and reporting of sustainability performance in terms of impacts on vital capital resources. This view interprets sustainability performance as a function of the impacts of an organization relative to the carrying capacity of local, regional, and global systems.

SASB is setting minimum standards for an entity to report material sustainability impacts in their Form 10-K. The data that will be included must be of similar high quality as financial data, and auditable. Therefore, SASB will not, as a rule, ask entities to report on the carrying capacity of local, regional, and global systems at this time. Use of SASB standards



Public Comment to the Sustainability Accounting Standards Board re: its *Conceptual Framework Exposure Draft*

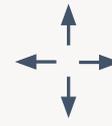
Submitted by Members of the Sustainability Context Group
July 26, 2013

Signatories to July 26, 2013 Public Comment by SCG to SASB
During Public Comment Period re: *Conceptual Framework Exposure Draft*

[Note: All signatories are signing in their personal capacity; organizational affiliations are included for identification purposes only, except for asterisked entries that indicate signing in organizational capacity.]

1. Aryt Alasti, Responsible Investment at Harvard
2. Michele Andreas, University of Trento
3. Andy Barker, Ben & Jerry's
4. Bill Baue, Corporate Sustainability Architect
5. Mike Bellamente, Climate Counts*
6. Libby Bernick, Trucost
7. Stephanie Bertels, Simon Fraser University
8. Charles Cho, ESSEC Business School
9. Jackie Cook, Cook ESG Research
10. Jed Davis, Cabot Creamery Cooperative
11. Olivia Fussell, CINCIS*
12. Alexandra Groevinger, Cabot Creamery Cooperative
13. Henk Hadders, University of Groningen
14. Doug Hammond, Burns & Hammond
15. Barbara Heinzen, www.barbarahinzen.com
16. Adrian Henriques, Middlesex University
17. Patrick Hoy, Biogen Idec
18. Cary Krosinsky, Network for Sustainable Financial Markets
19. Chris Landry, Landry Communications
20. Laurie Lane-Zucker, Hotfrog
21. Chris Lazzio, Case Western Reserve University
22. Poonam Madan, Financial Technologies India
23. Jacob Mayne, New Angles
24. Mark McElroy, Center for Sustainable Organizations*
25. Giovanna Michelon, University of Padova
26. Marcy Murningham, MurninghamPost
27. Dan Olson, Ecova
28. Den Patten, Illinois State University
29. Karl Pfalzgraf, BPA Worldwide
30. William Russell, SustainEdge
31. Mohamed Saeudy, Keele University
32. Roger Saillant, Case Western Reserve University
33. James Salo, Trucost
34. Lorna Stevenson, University of St. Andrews
35. Ralph Thurm, A | HEAD | ahead
36. Cornis Van Der Lugt, Stellenbosch University Business School
37. Tim Woodall, Addison Design

The *Conceptual Framework's* commitment to the multi-capital model could stand to be strengthened. The underlying reason for measuring and managing impacts on capitals in all forms – which constitute the very foundations of value creation – is to enhance or maintain the stocks for future use in supporting shareholder value and stakeholder well-being, or at a minimum, to signal when their availability and/or quality is threatened to such a point that adaptive management actions are needed to maintain continuity of business operations. By creating a framework that instructs companies to report their use of a shared capital stock with no supporting acknowledgment of the size of that capital stock, its health, or the reporting company's claim of share for the stock in question, SASB is, in our opinion, missing a critical step in helping companies and investors better evaluate sustainability risks and opportunities—namely, the step of placing corporate sustainability metrics in their appropriate supporting “context”.



Conceptual Framework

RECORD OF PUBLIC COMMENT



“Comment noted. The context of [a] company's operation [is] crucial to understanding the impact of that company on sustainability issues. However, SASB believes that the analysis and reporting of such context information is not within the boundary of current disclosure requirements. Contextual information is not auditable or comparable, nor is it within the control of corporations and therefore it does not meet the criteria we set out for good metrics. Complete accounting to provide context is not SASB's objective. SASB provides context by enabling investors to benchmark performance. **Understanding limits and aggregate impacts is the work of analysts, policy makers, and regulators.**”



*Three Stooges approach to accountability:
point the finger at anyone else but me!*

58 Ultimately value is to be interpreted by reference to thresholds and parameters established through stakeholder engagement and evidence about the carrying capacity and limits of resources on which stakeholders and companies rely for wellbeing and profit, as well as evidence about societal expectations. Interconnections between corporate activity, society and the environment and the purpose of the corporation should therefore be understood in terms of what the corporation, society and the environment can tolerate and still survive – that will be the main determinant of value. The challenges will be to reach agreement at corporate, national and international level on what those thresholds and limits are, how the resources within those limits should be allocated, and what action is needed to keep activity within those limits so that value can continue to be created over time.

Signatories to July 8, 2013 Public Comment by SCG to the IIRC
During Public Comment Period re: <IR> Consultation Draft*

1. Aryt Alasti, Responsible Investment at Harvard
2. Michele Andreas, University of Trento
3. Alan AtKisson, The AtKisson Group
4. Tom Barefoot, Gross National Happiness USA
5. Andy Barker, Social Mission Specialist, Ben & Jerry's Homemade, Inc.
6. Bill Baue, Corporate Sustainability Architect
7. Mike Bellamente, Climate Counts
8. Libby Bernick, Trucost
9. Stephanie Bertels, Simon Fraser University
10. Heather Burns, Burns & Hammond
11. John Byrd, University of Colorado Denver
12. Kyle Cahill, Blue Cross Blue Shield Massachusetts
13. Karin Chamberlain, First Peoples Worldwide (consultant)
14. Charles Cho, ESSEC Business School
15. Robert Costanza, The Australian National University
16. Peter Crowell, Marlboro College and Antioch University Sustainability MBA programs
17. Chelsea Davidoff, Cabot Creamery Cooperative
18. Jed Davis, Cabot Creamery Cooperative
19. Gil Friend, Natural Logic
20. John Fullerton, The Capital Institute
21. Olivia Fussell, CINCIS
22. Neva Goodwin, Global Development and Environment Institute, Tufts University
23. Alexandra Groezinger, Cabot Creamery Cooperative
24. Marc Gunther, Author/Journalist
25. Henk Hadders, University of Groningen
26. Doug Hammond, Burns & Hammond
27. Barbara Heinzen, Independent Consultant, BarbaraHeinzen.com
28. Adrian Henriques, Middlesex University
29. Bart Houlihan, B Lab
30. Chris Laszlo, Case Western Reserve University
31. Deborah Leipziger, Sustainability Lesson Project
32. Rick Love, United Technologies Corporation
33. Eric Lowitt, www.ericlowitt.com
34. Poonam Madan, Financial Technologies India
35. Jacob Mayo, New Angles
36. Mark McElroy, Center for Sustainable Organizations
37. Giovanna Michelon, University of Padova
38. Markus Milne, University of Canterbury
39. Marcy Murningham, The Murningham Post
40. Dan Olson, Ecova
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45. William Russell, SustainEdge
46. Mohamed Saedy, Keele University
47. Roger Saillant, Case Western University
48. James Salo, Trucost
49. Stephen Salotti, Ben & Jerry's Homemade, Inc.
50. KoAnn Skrzyziarz, Sustainable Life Media
51. Chris Soderquist, Pontifex Consulting
52. Ralph Thurm, AHEAD/ahhead
53. Chris Tuppen, Advancing Sustainability LLP
54. Wood Turner, Stonyfield Farm
55. Elizabeth Umlas, Independent Human Rights Researcher
56. Cornis Van Der Lugt, Stellenbosch University Business School
57. Jo van Engelen, TU Delft
58. Dimitar Vlahov, Sustainable Life Media
59. David Waldron, Synapse Strategies
60. Andy Whitman, Manomet Center for Conservation Sciences
61. Andrew Winston, www.andrewwinston.com
62. Tim Woodall, Addison Design
63. Jennifer Woolfer, Strategic Sustainability Consulting



The *Framework's* commitment to the multi-capital model could actually stand to be strengthened. The relevance of vital capitals to organizational performance, of course, is that such capitals are relied upon by stakeholders for their well-being. An organization's impacts on the quality or sufficiency of capitals for stakeholder well-being, therefore, is what must be taken account of in integrated measurement and reporting. Why? Because many vital capitals are actually shared by organizations with others, who also depend on them for their well-being.

Public Comment to the IIRC re: its April 16, 2013 *Consultation Draft* of the *International Integrated Reporting <IR> Framework*

Submitted by Members of the Sustainability Context Group
July 8, 2013

Here it should be clear that the conceptual commitment to vital capitals as a key principle in performance measurement and reporting necessarily entails a co-commitment to the principle of carrying capacity, since it is precisely the fact that capitals are limited in their scope and supply that makes them so relevant. Thus, measuring and reporting the effects of organizational activities on the carrying capacities of vital capitals should be encouraged in the *Framework*, while deferring to organizations themselves to innovate and experiment with alternative means of doing so.

THE INTERNATIONAL <IR> FRAMEWORK



INTEGRATED REPORTING <IR>

3. When IIRC released the [International <IR> Framework](#) in December 2013, it retained its commitment to the multiple capitals, but it did not integrate the carrying capacities of capitals. While the <IR> Framework may seem to integrate the carrying capacities of capitals, a careful read reveals that the <IR> Framework goes to pains to explicitly *exclude* this interpretation (i.e., it explicitly excludes the carrying capacities of capitals). Quoting three key passages helps illuminate this fact (with emphasis added, and commentary appended, to aid in this understanding); the first two quotes skirt the possibility of calling for the integration of the carrying capacities of capitals, but the third quote hammers nails into the coffin of the possibility of integrating the carrying capacities of capitals.

- c. “4.46 This Framework **does not require** an integrated report to provide an exhaustive account of all the complex interdependencies between the capitals such **that an organization’s net impact on the global stock of capitals could be tallied.**”
 - i. **Commentary:** This is the “smoking gun” proof that the Framework does not embrace the carrying capacities of capitals, but rather demonstrates active antipathy to the concept. And we find it quite shocking to read this, given that it creates a kind of intellectual incoherence and cognitive dissonance. On the one hand, the <IR> Framework robustly advocates for companies to account for their impacts on the multiple capitals in nearly all of the 150 times the term is mentioned in its 37 pages, but in this one instance – arguably the *most* relevant and important instance, as the global stock of capitals is what we as humanity have as our collective resources – the <IR> Framework unequivocally advocates *against* companies accounting for their “net impact on the global stock of capitals...”.

So, to summarize, the year 2013 commenced with the greatest opportunity to *advance* sustainability standards, with one existing (*de facto*) standard (GRI) and two emerging standards (SASB and IIRC) enacting Public Consultations on how to align their standards with the public interest. It seems fair to expect the outcome to be *enhancement* of the sustainability standards landscape.

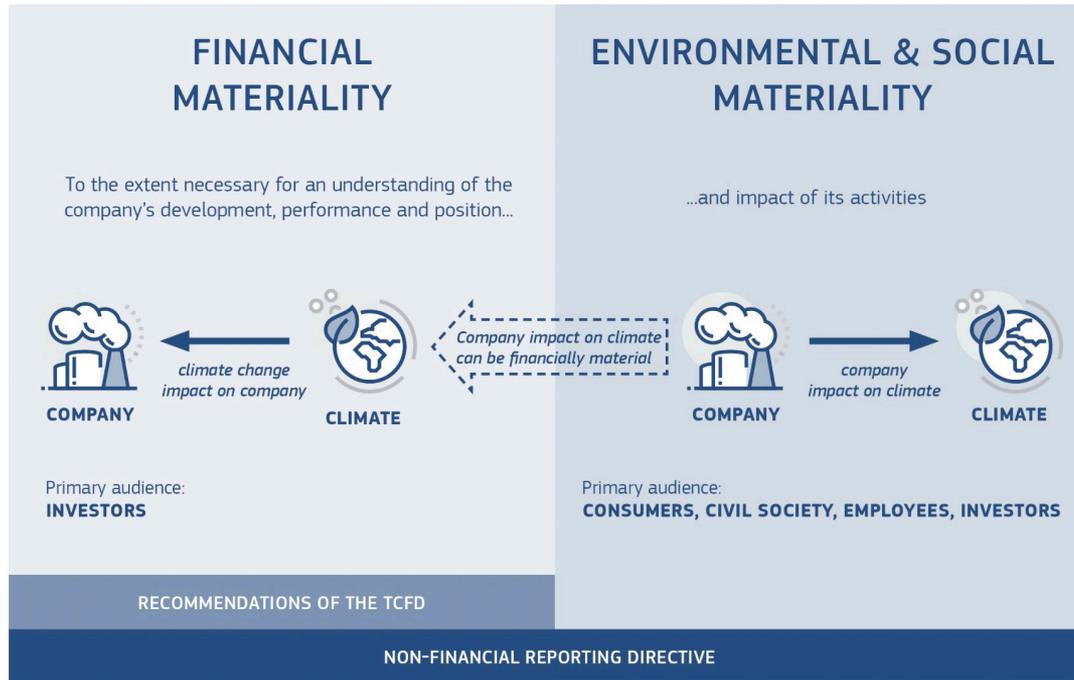
Unfortunately, instead of delivering on this promise by *improving* sustainability standards, these three standard setters demonstrably *eroded* the quality of sustainability standards:

- **GRI** inexplicably *refused* to provide guidance for enacting the Sustainability Context Principle;
- **SASB** *insisted* on advancing an approach to “sustainability” accounting that *consciously rejected* the thresholds & allocations that *define* sustainability; and
- **IIRC** embraced the multiple capitals but *explicitly opted against* taking the next logical step of embracing the carrying capacities of the capitals.

Lost Decade (2): 2014 - 2023

- 2014** EU NFRD
- 2020** IIRC <IR> *Framework* Update: ~~Carrying Capacities of the Capitals~~
- 2021** GRI *Universal Standards* Sustainability Context Principle: ~~Performance~~
- 2021** ISSB absorbs IIRC & SASB
- 2022** EU CSRD ESRS Exposure Drafts: ~~Sustainability Thresholds~~
- 2023** ISSB S1 & S2: ~~Sustainability Thresholds~~ + Sociopathic Materiality
- 2023** ESRS: Mandatory → Voluntary, Sustainability Thresholds, Performance

The double materiality perspective of the Non-Financial Reporting Directive in the context of reporting climate-related information



* Financial materiality is used here in the broad sense of affecting the value of the company, not just in the sense of affecting financial measures recognised in the financial statements.



Taxonomy Technical Report

June 2019

To ensure the broadest usability of the Taxonomy possible, the TEG had to arbitrate between granularity and flexibility as well as between complexity and clarity. A very granular Taxonomy, which uses precise metrics and thresholds, is expected to provide clarity and to minimize the risk of greenwashing. Nevertheless, there is a risk that requirements that are too granular and stringent lower the willingness of stakeholders to take up the Taxonomy, due mainly to the costs to access the necessary data and adapting their internal processes. On the other hand, more flexibility in the definition of screening criteria may facilitate the use of the Taxonomy but increase significantly the risk of divergent interpretations and greenwashing. Another challenge regarding the definition of the screening criteria is setting the adequate level of thresholds. **Setting too low or too high thresholds, which do not reflect best market practices, would undermine the Taxonomy's ultimate goal of redirecting financial flows towards sustainable investments. Consequently, the selection of the Taxonomy's thresholds has been carefully considered, based on existing standards and consultation processes with experts in the relevant sectors.**



This explanation makes it clear that the **EU Technical Expert Group is approaching thresholds not as biophysical realities that must be abided in order to achieve sustainability in the real world, but rather as political variables open to negotiation amongst those with diverse positions of power.** Therefore, it's vital to understand that the term "thresholds" used throughout the 400+ page document is not sustainability thresholds, but rather thresholds as defined to "reflect best market practices" with the "ultimate goal of redirecting financial flows towards sustainable investments." **Of course, this raises the question of just how those investments can possibly be "sustainable" if the thresholds used to measure them are divorced from biophysical reality?**



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Ralph Thurm, Managing Director
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Alexanderstrasse 7
10178 Berlin, Germany

Ms Kerstin Lopatta
Acting Chair
Sustainability Reporting Board
European Financial Reporting Advisory Group (EFRAG)
35 Square de Meeûs
1000 Brussels
Belgium

8 August 2022

Dear EFRAG,

We respectfully submit this Public Comment Letter on the Exposure Drafts (EDs) of the European Sustainability Reporting Standards (ESRSs) to the European Financial Reporting Advisory Group (EFRAG) with an intention of strengthening the existing Drafts, which contain many strong elements, but also, importantly, contain a **fatal flaw** — namely, its inconsistent (and most often in-existent) integration of sustainability **thresholds, and allocations** of responsibility for respecting these sustainability thresholds (across ecological, social, and economic dimensions) at the organisational level (i.e., the level of the “undertaking,” to use EFRAG’s language). Ecological, social, and economic thresholds *define* sustainability, and allocations enable assessment of performance at the organisational level in terms of respecting these thresholds, which typically apply at higher scales (e.g., macro systemic levels).

In other words, **sustainability reporting requires integration of thresholds and allocations.**

Accordingly, the ESRSs will need to integrate thresholds and allocations comprehensively, if EFRAG wishes for the ESRSs to be **authentic Sustainability Reporting Standards.**

- **The fatal flaw**, however, is that this integration of thresholds and allocations (i.e., Sustainability Context) is applied *only* to this Standard (E4), as if sustainability thresholds (and allocations to respect these thresholds to the organizational level) apply only in the case of the sustainability of biodiversity and ecosystems — which is self-evidently *not* the case. **Sustainability Context (i.e., thresholds and allocations) should apply across the entire CSRD initiative, in particular the overall ESRS framework**, including *all* 11 Standards (5 Environmental Standards — E1-E5; 2 Governance Standards — G1-G2; and 4 Social Standards — S1-S4), as well as the 2 General Standards (ESRS 1 and ESRS 2), and of course the bookending Cover Letter and EU Final Agreement. **Unfortunately, our in-depth analysis of these documents finds scant evidence of integration of thresholds and allocations (i.e., Sustainability Context).**



- Sustainability reporting draw significant meaning from the larger context of **how performance at the organizational level affects economic, environmental, and social capital formation and depletion at a local, regional, or global level.**
- Simply reporting on **the trend in individual performance** (or the efficiency of the organization) leaves open the question of an organization's contribution to the total amount of these different types of capital.
- Placing **performance** information in the broader biophysical, social, and economic context lies at the **heart of sustainability reporting.**
- Reporting organizations should consider their **individual performance** .. in the context of the **limits and demands** placed on economic, environmental, or social resources at a macro-level.

GRI 2020: Erasing “Performance” from Sustainability Context



Barbara Strozziiaan 336
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GRI Universal Standards: GRI 101, GRI 102, and GRI 103 – Exposure draft

11 June 2020

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performance

558 Sustainability context

559 Requirement

560 a. The organization shall report information on its impacts in the wider context of
561 sustainable development.

562 Guidance

563 To apply the Sustainability context principle, the organization should:

- 564 • draw on objective information and authoritative measures of sustainable development,
565 where available, when reporting on its impacts (e.g., scientific research or consensus on
566 ecological limits, societal expectations);
- 567 • report information on its impacts with reference to broader sustainable development
568 conditions and goals, as reflected in recognized sector-specific, local, regional, or global
569 instruments (e.g., reporting total GHG emissions as well as reductions in GHG emissions
570 with reference to the Paris Agreement);
- 571 • report information on its impacts with reference to expectations of responsible business
572 conduct set out in internationally recognized instruments with which it is expected to
573 comply (e.g., *OECD Guidelines for Multinational Enterprises*, *UN Guiding Principles on Business and*
574 *Human Rights*);
- 575 • if operating in a diverse range of locations, report information in a way that communicates
576 its impacts in appropriate local contexts (e.g., reporting total water use as well as water use
577 relative to the sustainable thresholds and the social context of given catchments).

22 / 106

performance

1/16

578 Assessing the organization's sustainability context provides the organization with critical information
579 for identifying and reporting on its material topics and related impacts (see *GRI 103: Material Topics*).
580 The GRI Sector Standards describe the sustainability context for organizations in a given sector.

581 Timeliness

582 Requirement

583 a. The organization shall report information on a regular schedule and make it
584 available in time for information users to make decisions.

585 Guidance

586 The usefulness of information is closely tied to whether it is available in time for information users
587 to integrate it into their decision-making. The Timeliness principle refers to how regularly
588 information is reported, as well as how up to date the information is in relation to the reporting
589 period.

590 To apply the Timeliness principle, the organization should:

- 591 • make information available in a timely manner;
- 592 • balance the need to make information available in a timely manner with the need to ensure
593 that the information is reliable;
- 594 • ensure consistency in the frequency of reporting and the length of reporting periods;
- 595 • clearly indicate the time period covered by the reported information, for example, when
596 presenting information for several periods;
- 597 • indicate when the reported information was last updated and when it will be updated next.

598 See [Section 5.1](#) of this Standard for information on aligning the reporting periods and the publishing
599 schedules of sustainability reporting with other types of reporting.

SCG 2020: Sustainability: *Metaphorical* or *Literal*?



Public Comment to the Global Reporting Initiative re: 2020 GRI *Universal Standard Exposure Draft*

Submitted by Members of the Sustainability Context Group and r3.0
9 September 2020

Specifically, the *GRI Universal Standard Exposure Draft* definition of the Sustainability Context Principle completely erases mention of the term “performance,” which has been a prominent aspect of the Principle since its introduction in the Second Generation (G2) of [Sustainability Reporting Guidelines](#) that GRI released in 2002.¹

The original definition of the Sustainability Context Principle includes five mentions of the term “performance.”

The *Universal Standards Exposure Draft* employs the term “performance” 16 times – but *not once* in the revised Sustainability Context Principle definition!

This is a striking and frankly scandalous reversal, shifting from *seven* mentions of the term performance (in the 2016 Standards, which currently hold force) to *zero* mentions of the term performance in the *Universal Standards Exposure Draft*.

In place of the term “performance,” the *Universal Standards Exposure Draft* employs terms such as “draw on” (“draw on objective information and authoritative measures of sustainable development, where available, when reporting on its impacts (e.g., scientific research or consensus on ecological limits, societal expectations)”) and “with reference to” (“report information on its impacts *with reference to* broader sustainable development conditions and goals, as reflected in recognized sector-specific, local, regional, or global instruments (e.g., reporting total GHG emissions as well as reductions in GHG emissions with reference to the Paris Agreement)”). (Emphasis added)

The difference between the terms *draw on / with reference to* on the one hand, and *performance* on the other, is the difference between sustainability as a metaphor, and sustainability as a literal state of being in the real world.

GRI 2020: Eviscerating the Heart of Sustainability Reporting



The GRI Standards are based on expectations for responsible business conduct set out in authoritative intergovernmental instruments, such as the *Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises* [3] and the *United Nations (UN) Guiding Principles on Business and Human Rights* [5] (see the Bibliographies of the GRI Standards for a list of authoritative instruments used in developing the GRI Standards). Information reported using the GRI Standards can help users assess whether an organization meets the expectations set out in these instruments. It is important to note that the GRI Standards do not set allocations, thresholds, goals, targets, or any other benchmarks for good or bad performance.

What is particularly odd about this final assertion is that nobody has ever asked GRI Standards to **set** thresholds & allocations (or goals / targets / benchmarks etc) – but, GRI *has* been asked repeatedly, over more than a decade, to **provide sufficient guidance** on how to **assess sustainability performance** as a means of **implementing** its Sustainability Context Principle.

It warrants explicit noting that the *Universal Standards* failed to resolve this shortcoming, and retained GRI's irrational obstinance in continuing to refuse to provide the guidance necessary to operationalize the very Principle (Sustainability Context) that **lies at the heart of sustainability reporting**.

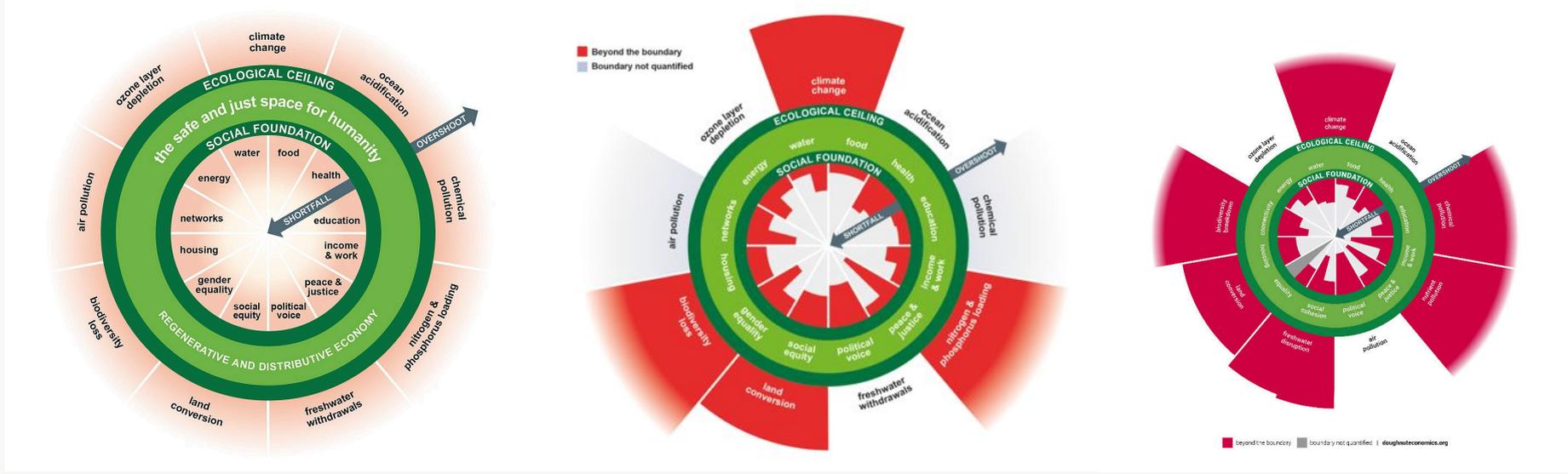
Stated more plainly, **GRI has eviscerated the heart of sustainability reporting...**

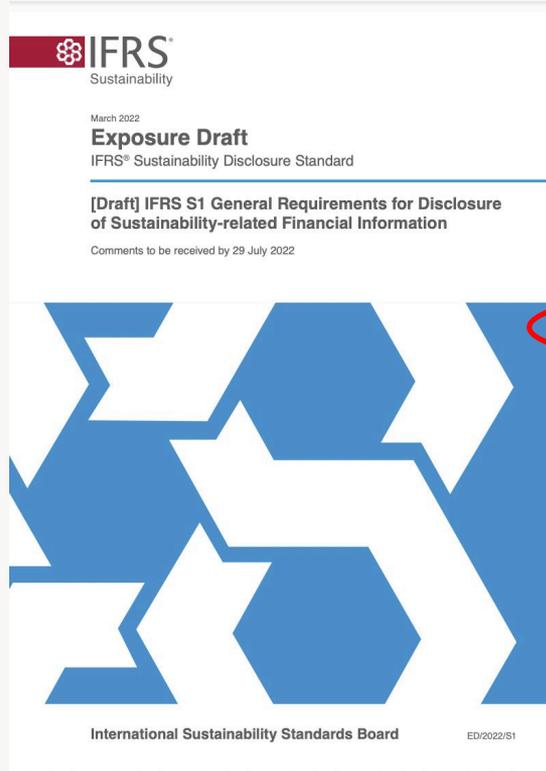
Thresholds Research: + Social Foundations (Doughnut 2012-2025)

2012

2017

2025





Appendix A Defined terms

This appendix is an integral part of [draft] IFRS S1 and has the same authority as the other parts of the [draft] Standard.

Reporting entity

An entity that is required, or chooses, to prepare general purpose financial statements.

Sustainability?

Sustainability-related financial disclosures

Disclosures about sustainability-related risks and opportunities that are useful to users of general purpose financial reporting when they assess an entity’s enterprise value, including information about its governance, strategy and risk management, and related metrics and targets.

When an entity’s activities result in adverse, external impacts—on, for example, local communities—it could be subjected to stricter government regulation and consequences of reputational effects—for example, negative effects on the entity’s brand and higher recruitment costs. Furthermore, when an entity’s business partners face significant

r3.0 2022: Nonsensical Definition / Definitional Cooptation...



29 July 2022

r3.0 Public Comment Letter on International Sustainability Standards Board Draft Standards

Dear Chair Emmanuel Faber and Vice Chair Suzanne Lloyd,

We address you directly by name, in hopes of appealing to your humanity and encouraging you to transcend the sociopathic nature of your initiative (which we clearly document below).

We also preface this *Public Comment Letter* with an explicit acknowledgement of the utter futility of this Consultation exercise, as historical precedent¹ — combined with toothless Due Process² — essentially ensures that you will ignore Public Comments that identify the fatal flaws in your ideological reasoning and predetermined outcomes. We submit this *Public Comment* purely for the record, without an ounce of faith that the strength of its case will hold sway. Of course, we wish it were otherwise, and would be glad to eat our words if you prove us wrong.

We believe that the International Sustainability Standards Board in general, and its *Sustainability Disclosure Standard Exposure Drafts on General Requirements for Disclosure of Sustainability-related Financial Information* (S1) and *Climate-related Disclosures* (S2) in particular, are all *fatally flawed* for two essential, intertwined reasons: 1) **Nonsensical Definition / Definitional Cooptation**; and 2) **Sociopathic Materiality**. These fatal flaws are all-encompassing, mooted the need to respond to your detailed questions. We will address each of these fatal flaws in turn.

Nonsensical Definition / Definitional Cooptation

The International Sustainability Standards Board and the *Sustainability Disclosure Standard Exposure Drafts* use the term “sustainability” in ways that clearly contravene its core essence, in two primary ways:

- **Thresholds:** first, they fail to integrate normative thresholds, which are definitional to sustainability;³ and
- **Outside-in / Inside-out:** second, they focus only on effects of the external operating environment on the enterprise (ie *outside-in*), not the enterprise’s effects on its external operating environment (ie *inside-out*).

In practical terms, I?SB (we use this acronym in recognition that this Board lacks any legitimate claim to use the term “sustainability”) obfuscates its definition of “sustainability,” and thereby seeks to co-opt the term “sustainability” for use in ways that actually *counteract* the achievement of sustainability.

By defining “sustainability” only within the bounded space of “financial disclosures” and “financial information,” S1 shrinks the definitional scope in ways that eliminate key vitalizing aspects of “sustainability” — namely, its focus on internal and external environmental, social, and economic impacts.

The notion of enterprise value, divorced from the notion of system value, is *nonsensical*.

This much is clear to anyone who takes the notion of sustainability seriously — there is no such thing as a sustainable enterprise in an unsustainable system — an economic system, a social system.

Clearly, the I?SB does *not* take the notion of sustainability seriously, but rather approaches the notion opportunistically, seeking to co-opt the “sheen” of sustainability to lend life-support to the dying ideas of ESG (inaccurately conflated with sustainability) and isolated enterprise value.

r3.0 2022: ... & Sociopathic Materiality

Sociopathic Materiality

Wikipedia asserts that sociopathy is characterized by “a long-term pattern of disregard of, or violation of, the rights of others,”¹³ as well as “manipulative self-serving behaviors with no regard for others” and “a selfish world view that precludes the welfare of others.”¹⁴

We will demonstrate how I?SB’s approach to materiality precisely fits this definition of sociopathy, warranting the labeling of its approach as “Sociopathic Materiality.” We propose, in contrast, a form of “prosocial” materiality that shows “regard” for “the welfare of others,” not only for a snapshot in time, but sustainably over time.

“When an entity’s activities result in adverse, external impacts—on, for example, local communities—it could be subjected to stricter government regulation and consequences of reputational effects—for example, negative effects on the entity’s brand and higher recruitment costs.”

In this example, a local community experiences *adverse impacts at the hands of the reporting entity*, and the I?SB’s concern — its scope of materiality for disclosure — is the “*negative effects on the entity...*” The I?SB literally does not give a damn about the welfare of the local communities, which we know has experienced adverse impacts.

Indeed, these adverse impacts perpetrated by the reporting enterprise could be so severe as to place the *sustainability* of the vital capital resources that those local communities rely on for their wellbeing at risk. Yet to the I?SB, this is *utterly immaterial* — it does not factor into the I?SB’s so-called “*Sustainability*” Disclosure Standard.

Elsewhere, I’ve likened this to “attending to the gunpowder burns on the trigger finger”: instead of attending to the mortal wounds of the victim from the gunshot, focusing instead on the tangential harm to the perpetrator (gunpowder burns) incurred in the course of inflicting much greater harm (pulling the trigger).

This scope of materiality is *by definition sociopathic*: it advances “a selfish world view that precludes the welfare of others” and endorses “self-serving behaviors with no regard for others.”

When the welfare of others is clearly impacted, the I?SB “*Sustainability*” Disclosure Standard enacts a classic narcissistic move, shifting attention from the primary adverse impact the enterprise has caused for the victim, to the secondary *adverse impact that the enterprise has brought onto itself*. It is as if the I?SB is writing a script for gas-lighting.

What is perhaps most troubling is that the I?SB lives in a world where it conceives of its primary users exclusively as sociopaths. We have *no doubt* that a significant percentage of I?SB’s intended audience are, indeed, certifiable sociopaths, given that they operate in the sociopathic economic system of late stage monocapitalism.

However, we just as strongly believe that a significant percentage of I?SB’s audience — providers of capital — are actually loving, caring, moral human beings. Indeed, we believe that the “reasonable” investor *should*, by definition, be concerned with material issues that extend well beyond the scope of enterprise value. We assert that it is *unreasonable* to conceive of “primary users” as exclusively a kind of caricature of *homo economicus*. To conceive of users as only those with narrow pecuniary interests shows a kind of contempt for humanity that we find depressing — we feel sorry for the I?SB for its stunted imagination and inability to appreciate the value and beauty of humanity and the miraculous natural world we are blessed to inhabit.

ESRS 2022-2023: Our Best Hope??



Brussels, 31.7.2023
C(2023) 5303 final

ANNEX 1

ANNEX

to the

Commission Delegated Regulation (EU) .../...

supplementing Directive 2013/34/EU of the European Parliament and of the Council as regards sustainability reporting standards

The ESRSs differ significantly from the GRI Universal Standards by **insisting on performance assessment**, as covered in the Application Requirements for Entity-Specific Disclosures in the Appendix A of [Annex 1](#):

AR 3. When determining the usefulness of **metrics** for inclusion in its entity-specific disclosures, the undertaking shall consider whether:

“(a) its chosen **performance metrics** provide insight into:

i. how effective its practices are in **reducing negative outcomes and/or increasing positive outcomes for people and the environment (for impacts)**; and/or

[...]

(c) it has provided **sufficient contextual information to interpret performance metrics appropriately**, and whether variations in such contextual information may impact the comparability of the metrics over time.” [emphasis added]

The fact that ESRS commits to **performance metrics** shines a critical light on the claim that GRI could not identify a sufficient definition of performance... Accordingly, despite the significant shortcomings of ESRS, it appears that it is the **sustainability standard that may be our best hope to strengthen itself and become an authentic sustainability standard.**



**Measuring
sustainability,
the authentic way.**

SDG Indicators: Only a handful of 231 Contain Thresholds



For example:

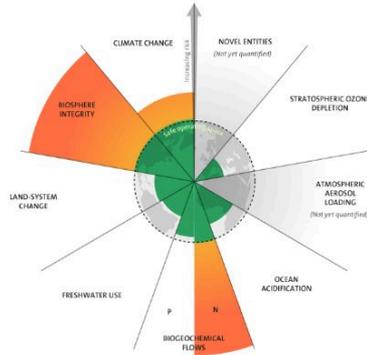
1.1.1 Proportion of the population living below the international **poverty line** by sex, age, employment status and geographic location (urban/rural)

1.2.1 Proportion of population living below the national **poverty line**, by sex and age

6.4.2 Level of water stress: freshwater withdrawal as a **proportion of available freshwater resources**

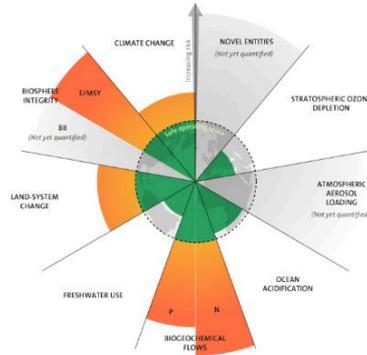
Thresholds Research: Planetary Boundaries (2009-2025)

2009



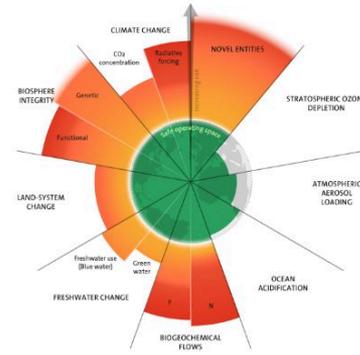
7 boundaries assessed,
3 crossed

2015



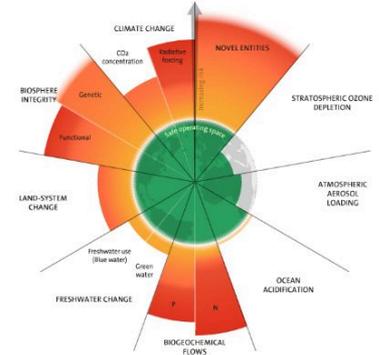
7 boundaries assessed,
4 crossed

2023



9 boundaries assessed,
6 crossed

2025



9 boundaries assessed,
7 crossed



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Sustainable Development Performance Indicators

ALTERNATIVE ECONOMIES FOR TRANSFORMATION

🕒 2018 - 2022

SOCIAL DIMENSIONS OF SUSTAINABLE DEVELOPMENT



Working Paper 2019-5

Compared to What? A Three-Tiered Typology of Sustainable Development Performance Indicators

From Incremental to Contextual to Transformational

Bill Baue

prepared for the UNRISD project
Sustainable Development Performance Indicators

October 2019

UNRISD Working Papers are posted online
to stimulate discussion and critical comment.

Tier One: *Incrementalist Numeration*

- **Numeration** indicators focus on actual impacts, which include absolute indicators as well as “intensity” indicators that describe performance relative to a nonnormative counterpart (such as unit of production), and are therefore incrementalist by definition.

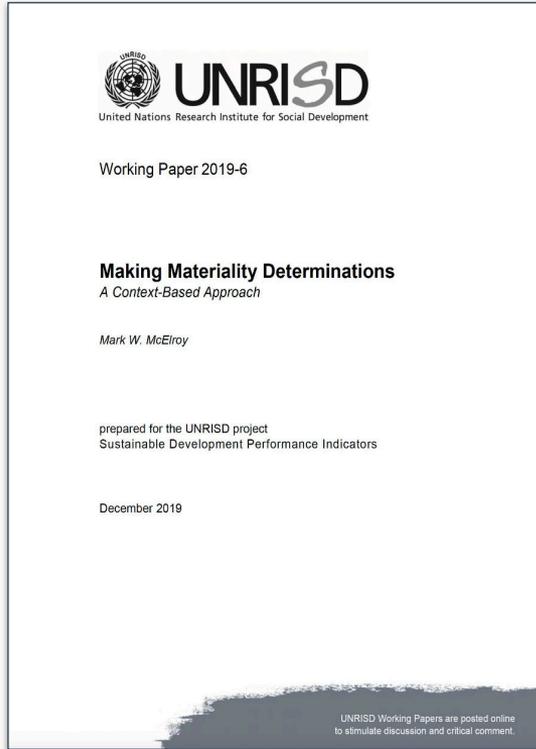
Tier Two: *Contextualized Denomination*

- **Denomination** indicators contextualize actual impacts against normative impacts. Also known as “Context-Based” indicators, denominator indicators take into account sustainability thresholds in ecological, social, and economic systems, as well as allocations of those thresholds to organizations and other sub-system entities such as sectors, portfolios, or bioregional habitats.

Tier Three: *Activating Transformation*

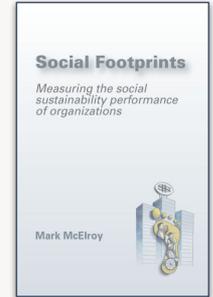
- **Transformation** indicators add transcontextual elements of implementation practices and policies (as well as more ephemeral emergence) to normative indicators in order to instantiate sufficient change within complex adaptive systems.

Context-Based Materiality: Introduced 2008; UN Endorsed 2019

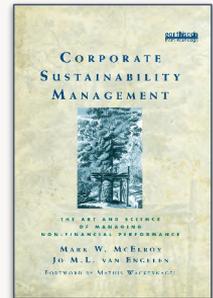


2019

- Formally put forward in paper published by UNRISD in 2019
- Long found in the Context-Based Sustainability (CBS) methodology first published in 2008 (McElroy) & 2012 (McElroy & Van Engelen)
- The core concept is that materiality must be determined by reference to **duties and obligations** owed to stakeholders to have normative (ie sustainable) impacts on capitals (including *no impacts* in some cases per 'do no harm')
- To be meaningful, performance assessments must be made in these terms, otherwise they are liable to be **arbitrary and incrementalist.**



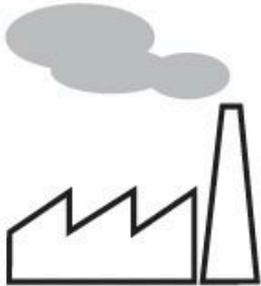
2008



2012

Single Materiality: Outside-In Impacts on Financial Value

Outside-In Impacts & Risks



Double Materiality: Outside-In + Inside-Out Impacts

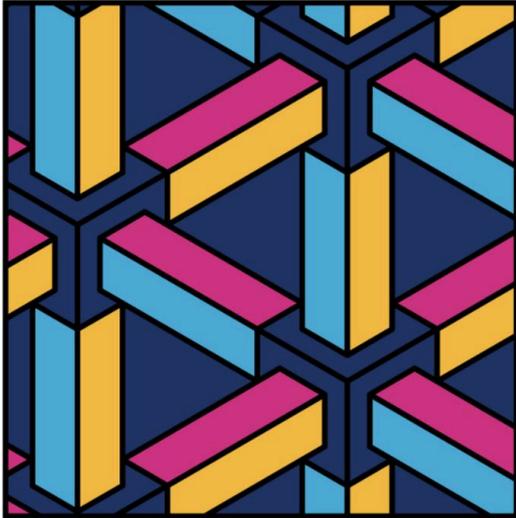


Triple Materiality: Double Materiality + Context-Based Materiality



FULL REPORT

Corporate Sustainability Accounting WHAT CAN AND SHOULD CORPORATIONS BE DOING?

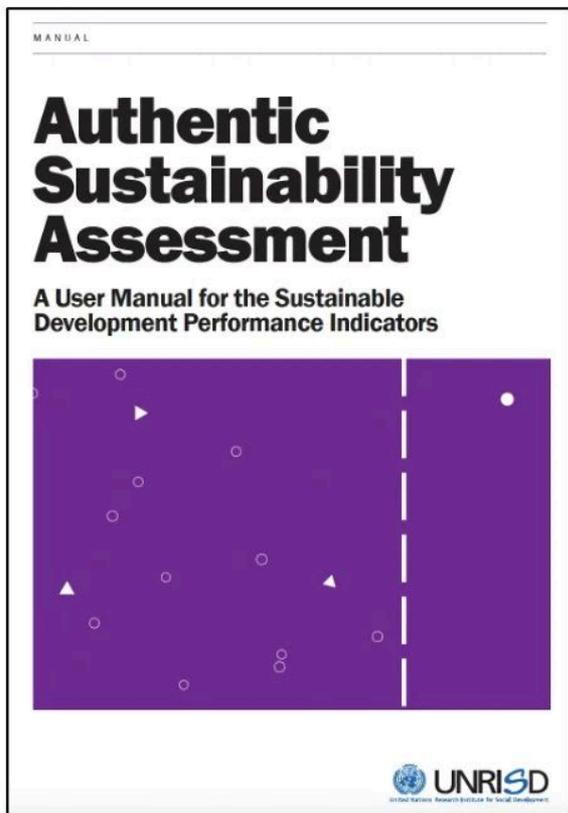


Box 0.1. What is transformative change?



SDPI *Thresholds of Transformation* Piloting (2021)





Sustainability requires contextualization within thresholds. Sustainability measurement without context is simply not sustainability measurement.



The release of the UNRISD Sustainable Development Performance Indicators marks a seminal moment in mainstreaming contextualization. It represents the first, comprehensive guidance to embedding thresholds in sustainability reporting, the culmination of years of research and advocacy in support of a new generation of disclosure. A decade from now, historians will view the release of the SDPIs as a Brundtland moment in the urgent journey toward a just and thriving planet.



Allen White, Co-Founder, Global Reporting Initiative; Senior Vice President and Senior Fellow, Tellus Institute



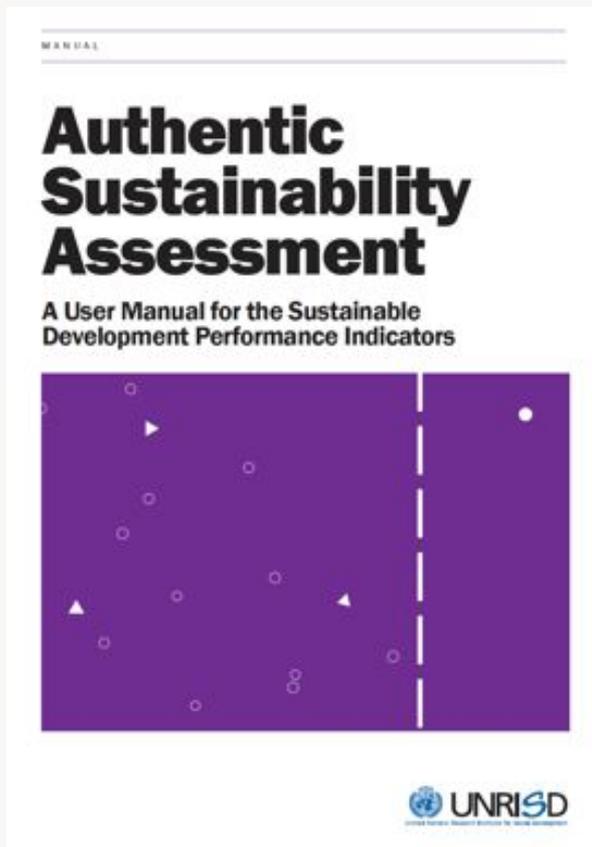
For the past two decades, there hasn't been sufficient guidance on how to assess organizational sustainability in the context of ecological, social, and economic thresholds, nor in the context of necessary transformations to the status quo – until now.



The release of the UNRISD Sustainable Development Performance Indicators sets a new norm, for the first time enabling authentic sustainability assessment with thresholds and transformation explicitly integrated



Ilcheong Yi, Senior Research Coordinator at UNRISD, and Project Manager of the SDPI development process



- **Two Tiers**
 - **Tier I:** 20 Incrementalist Indicators (Adding Time-Series Trends to UNCTAD “Core” Indicators)
 - **Tier II:** 41 Thresholds- & Transformation-Based Indicators
- ***Soft and Hard Context***
 - *Hard* Context: Thresholds-Based (Tier II)
 - *Soft* Context: Time-Series Trends (Tiers I & II)
 - Granularity / Transparency (Tiers I & II)
 - Transformational (Tier II)

UNSDPI Embraces Sustainability Quotient

- UNSDPI formally adopts CBS and in particular its characteristic use of context-based metrics (A/N)
- Only 16 out of the 61 indicators in the SDPI manual, however, are rendered this way because most of the others did not lend themselves to the application of thresholds and allocations, e.g.:
 - Revenue
 - Total expenditures on R&D
 - Number of board meetings
 - Average hours of training

Box 3. Terminology²

Sustainable development

Defined as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs," the concept conveys three key ideas relevant for organizations: (i) development should not be defined narrowly in economic terms, for at its core are broader objectives related to human well-being and planetary health; (ii) an organization should pursue an integrated approach that addresses these broader objectives simultaneously; and (iii) an organization should be guided by not only short-term goals aimed at ensuring the future health and longevity of the organization itself, and the well-being of the resource base on which both current and future generations depend.

Sustainability reporting

The practice of disclosing in the public domain data related to an organization's performance that impacts sustainable development. Data that matter relate not only to economic and financial dimensions but also to environmental, social and governance (ESG) aspects. Sustainability reporting serves the dual purpose of minimizing risks and identifying opportunities both for the organization concerned and for its stakeholders. Large organizations often produce sustainability or integrated reports, following standards and guidelines produced by standard-setting and ratings organizations.

Integrated reporting

This not only combines data related to both financial and non-financial aspects of performance but also understands the process of value preservation and creation in terms of the growth in the stocks and flows of different sets of vital assets or multiple capitals. These include financial, manufactured, human, social and relationships, intellectual and natural capital. Value creation may also involve maintaining these capitals at levels sufficient to ensure and sustain well-being. Integrated reporting aims to measure changes in these resources and also considers their interdependent nature.

Contextualization of sustainability performance

A measure of the performance of an organization. It is expressed in terms of the organization's impacts on vital capitals relative to what the standards or sustainability norms must be to ensure the well-being of stakeholders. Actual impacts divided by normative impacts provide a measure of sustainability. Gathering the necessary data and calculating how actual performance compares with sustainability norms is the task of sustainability accounting.

Sustainability Quotient

$$S = A/N$$

Where

S = Sustainability performance

A = Actual impacts on carrying capacities of vital capitals

N = Normative impacts on carrying capacities of vital capital

Reproduced with permission.⁴

Stakeholders

Generally refers to those groups or individuals who can affect the ability of an organization to achieve its objectives, or who are affected by its activities (Freeman 1984).³ From the perspective of a company, a stakeholder is any individual, group or entity to whom that company owes a duty or obligation to manage its impacts on vital capitals in ways that can affect their well-being (McElroy and Van Engelen 2012).⁴ The term "rightsholders" is increasingly used, as it can also remind us of the principle of intergenerational equity and the needs of future generations.

Value

Sustainability performance involves a broader notion of value: an organization should be concerned not only with value related to financial or shareholder returns and other commercial benefits, but also with how its products, services and operations create benefits that are of value to the broader society.

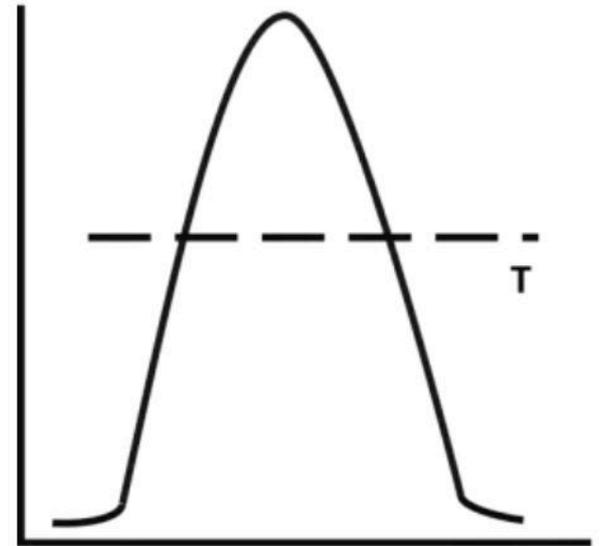
Impact valuation

A method used to quantify or calculate the value of the magnitude of an impact. Impact valuation indicators are incremental in the sense that they are used to assess the size and marginal change, if any, in the stocks and flows of vital capitals from, say, one year to the next. Such changes are often expressed in terms of their relationships with other variables, such as greenhouse gas (GHG) emissions per unit of revenue or per unit of production. This is sometimes referred to as performance intensity.

UN Sustainable Development Performance Indicators



- **18 & 19 November 2025**
- **2 modules per each 4-hour day**
- **Module I:** Intro to Context-Based Sustainability (CBS) & Triple Materiality
- **Module II:** Intro to the UNSDPI; UNSDPI Scorecard; Tier II Hard Context & Transformational Indicators; Missing Indicators
- **Module III:** Hard Context Examples; Your Examples; Leverage Vectors
- **Module IV:** Standards Deep Dive Gap Analysis



**UN-SDPI Training
November 2025**

Questions & Answers

Thank you!



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