

13th Taipei Corporate Governance Forum

**Sustainability and Enterprise Value:
Delivering 21st century corporate
governance**

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Corporate Governance 3.0: Sustainable Development Roadmap

- Enhancing **information transparency** is a key pillar of the Financial Services Commission's 2021-23 '*Corporate Governance 3.0 – Sustainable Development Roadmap*'
- The roadmap **strengthens the Board's role** in achieving sustainable value creation, and **positions Taiwan as a global leader in corporate governance practice**



Transparency improves performance on multiple dimensions



COMPREHENSIVE

DISCLOSURE

Companies provide multi-dimensional, holistic view of value creation

Investors compare companies based on comprehensive disclosure



CAPITAL ALLOCATION

Investors reward companies with strong holistic performance and encourage laggard companies to improve

Companies compete to improve holistic performance to attract capital



OUTCOMES

Improved economic, environmental and social outcomes

drives

drives

The Value Reporting Foundation

- We are one global organization with a unified strategy and three principal products:



- We will advance a simplified corporate reporting landscape, bringing together our existing framework and standards
- We will provide active support to achieve the ambition of a global International Sustainability Standards Board under the IFRS Foundation's governance



A robust, market led toolset to support business and investor decision making



 **INTEGRATED THINKING PRINCIPLES**

 **INTEGRATED REPORTING FRAMEWORK**

 **SASB STANDARDS**



Our strategic goals



1. Evolve and align integrated thinking principles, integrated reporting framework, and the SASB standards
2. Support adoption and use of all three tools by businesses and investors
3. Demonstrate how their use informs decision making and improves performance
4. Pursue convergence and simplification of the corporate disclosure landscape

Value Reporting Foundation in numbers

2,500+

<IR> FRAMEWORK USERS

1,000+

SASB STANDARDS REPORTERS

78

PER CENT OF NIKKEI 225 ADOPTING INTEGRATED REPORTING

75

COUNTRIES WITH USE OF <IR> FRAMEWORK AND/OR SASB STANDARDS

72

TRILLION DOLLARS AUM SUPPORT SASB STANDARDS

66

ORGANIZATIONS IN 18 COUNTRIES ON INTERNATIONAL INTEGRATED REPORTING COUNCIL

58

ASSET OWNERS & MANAGERS IN 12 COUNTRIES ON SASB'S INVESTOR ADVISORY GROUP



The Value Reporting Foundation supports business and investor decision-making with three key resources:



**INTEGRATED
THINKING
PRINCIPLES**



**INTEGRATED
REPORTING
FRAMEWORK**

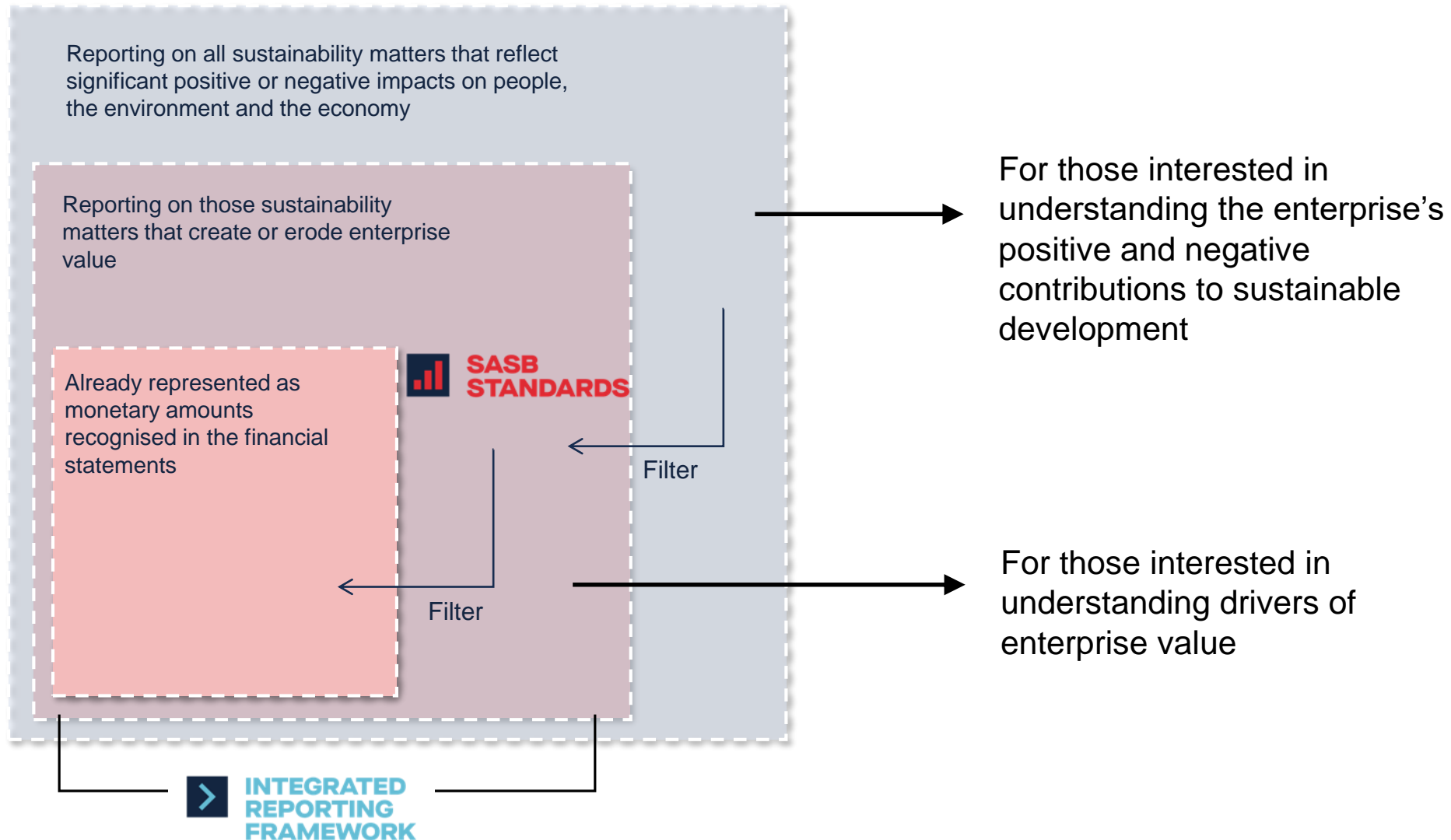


**SASB
STANDARDS**

These resources make it easier for businesses to communicate long-term strategy and provide a comprehensive view of corporate performance to investors and other providers of capital.



Our role in the corporate disclosure landscape



Principles of 21st Century Corporate Governance

- **A broader view of value creation** – encompassing all the resources and relationships used to create value, including intangibles.
- **An enhanced role for the Board** – to achieve greater accountability and optimal challenge to executive management.
- **Improved engagement between Boards and investors** – improving investor lines of sight on the business model and strategy, and closing down information gaps.
- **Insight for investors into business model and strategy, including key risks and opportunities** – promoting long-term investment and trust.
- **Connectivity** between traditional financial accounting and new accounting methods relating to climate and other sustainability issues – reducing silos and enabling businesses to present a clear picture of business health and future prospects.
- **A commitment to enhancing information transparency** – using global standards and frameworks to avoid regional fragmentation and promote investment in all parts of the world.



In an era where the impacts of global pandemic, climate change and growing inequality are intensifying...

...the concepts of sustainability and intangible value have grown in importance.

Capital markets demand evidence-based, market-informed and transparent information to deliver long-term value to shareholders while also helping secure the future of our people and our planet.

Integrated reporting, combined with SASB Standards, is an important means to this end.



Thank you



**INTEGRATED
THINKING
PRINCIPLES**



**INTEGRATED
REPORTING
FRAMEWORK**



**SASB
STANDARDS**