

KNOW YOUR BUSINESS

**INTEG
RES** Integrated Reporting
and Education for
Sustainability

Courses for Integrated Sustainability Reporting

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Acknowledgements

This E-book results from research into the initial question: how to educate finance & control and accountancy students in impact accounting and integrated reporting, given the changes in their future professions and legislation. Over the past three years, more than 20 researchers have developed, in close cooperation, knowledge, insights, models, games and tools to answer that question. We are proud of the result and hope it can improve the quality of sustainability accounting, reporting and auditing.

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Introduction

'With a little help from my friends' [Lennon-McCartney, 1971]

Our Strategic Partnership INTEGRES started officially in September 2020. Unofficially, it started earlier because we made time to find the right higher institutions and people with whom we would feel confident enough to create a journey that would take at least three years. I learned from INTEGRES that taking the time to get to know each other and finding and recognising each other's strengths pays off immensely. INTEGRES has been a great partnership; sadly, it will end this summer. Hopefully, we find new ways to work together again.

INTEGRES stands for Integrated Reporting and Education for Sustainability. As individuals working on this project, we all strive to make the world a better place. If not for ourselves, then certainly for the young people and future generations who will inherit the earth. And even if we, as individuals, strive to become as sustainable and circular as possible, we are dependent on what companies offer us to have a reasonably comfortable life. We need information on the products and services we buy to make sustainable choices.

We need companies to be transparent about the quality and how the product is made. Most companies know how to report on their financial strategy, policy and objectives. They have a set of standards for reporting on their financial health. The picture becomes more opaque regarding how they source their materials and the origin and how it has been mined or made. Even though we have international labour laws, principles on human rights, carbon pricing and rules on how companies should deal with their waste, it isn't easy to get an integrated picture of a company's financial and sustainable health. That is why research and development of Sustainability Accounting and Integrated Reporting has grown substantially in the past 25 years. We felt that higher education needed to be included in these developments and looked for ways to research how to improve finance and accountancy education, preferably with other European universities. We were lucky to find such a wonderful group of people who wanted to do research with us and develop new educational materials.

The past three years have been an exciting journey. In the beginning, we encountered some headwinds. Sustainability Accounting and

Integrated Reporting were not everybody's favourite topics: our colleagues, business people and accountants were reluctant to accompany us in our quest for futureproof business economics education. That changed when the European Commission launched its Green Deal, with transparency legislation for financial institutions (SFDR), reporting laws for large and medium-sized enterprises (CSRD) and its comprehensive rule book: the EU taxonomy.

INTEGRES builds on a long tradition of research into sustainability and non-financial reporting. We are not the first to develop educational material for lecturers and students to master integrated thinking. Sustainability Reporting became more organised with the launch of the Global Reporting Initiative in 1997, and its guidelines and Key Performance Indicators (KPIs) have gained traction globally. Almost 80% of the 250 largest companies in the world use the GRI for their reporting. That the GRI is still going strong has to do with the comprehensive set of indicators for sustainability reporting, which can also be integrated with financial reporting. And that is what we are investing in, which also means embracing other standards.

During the project, we all organised our research and education around the multiple value creation model, also known as the Six-Capitals model. The core is an input-output model for human, produced, intellectual, social, natural and financial capital, coupled with the ability to demonstrate social impact. It is essential that the organisation can also show its *raison d'être*. Does the organisation have a right to exist in this changing world? What is its goal, and does it fit with the sustainable world we want to achieve? That is also the question with which students of the financial and accountancy organisation start if they use the INTEGRES courses.

The Six-Capitals model was developed by representatives of the major accountancy firms and asset managers, then united in the International Integrated Reporting Council (IIRC). In the meantime, the IIRC has merged with the organisation behind the American sustainability standards, SASB. Worldwide, according to research by KPMG, we now see that the GRI guidelines, the Taskforce for Climate-related Financial Disclosures (TCFD) rules and the Sustainability Accounting Standards from the US are used the most. But the Sustainable Development Goals (SDG) have become mainstream in reporting on societal impact.

The educational material we have developed within INTEGRES is not exclusively based on one framework or standard-setting system. But we are all from European universities and expect the Corporate Sustainability Reporting Directive (CSRD) standards to dominate the reporting landscape and related education for financial professionals in the coming years. The CSRD will be mandatory for all companies in the EU with 250 employees or more and either a turnover of € 40 million and/or €20 million in assets. The standards will be introduced in different phases to ease the pain and avoid panic among companies and accountants. That also helps schools, universities and examination authorities to introduce new content in the curricula and the demands for a diploma.

The content of the E-book offers you ready-made courses. Still, our material can also be used as a starting point for your journey into integrated sustainability reporting. We have chosen the E-book format because it allows us to keep our educational materials up-to-date. Every course is linked to learning objectives and instructions for teachers and students.

The next chapter describes the profile and time of INTEGRES as a research project. The E-book and course materials' structure will be discussed next.

The European ambition to become the most sustainable economic region in the world is an essential contributor to the impact we hope to create with our courses, MOOCs and publications, which all can be found on our digital platform and website, www.integres.eu. As we discovered during our project: keeping up with societal changes and demands on business and education cannot be done alone. It can only be done with more than a little help from our friends. Collaboration is vital in innovation and transition.

Marleen Janssen Groesbeek

Professor Sustainable Finance & Accounting at Centre of Expertise Wellbeing Economy and New Entrepreneurship of Avans UAS

Breda, the Netherlands

June 2023

Profile and Timeline INTEGRES 2020 – 2023

Research into innovation in education

Officially our INTEGRES project started on September 1, 2020. A challenging time to start as we all, together with the rest of the world, were recovering from the first period of strict lockdowns due to the Covid-19 pandemic. Our successful partnership, as INTEGRES turned out to be, can be traced back to our initial contacts in late 2018 with Carine Coppens of HOGent (Belgium). In 2019 we had the pleasure of meeting Gail Sheppard from TU Dublin (Ireland) and Selena Aureli from the University of Bologna (Italy). Selena Aureli introduced us to Elisabetta Magnaghi from the Catholic University of Lille (France), and our team was complete.

From September 2020 on, we met almost every month - not during the summer holidays - for a project meeting online. It became clear to us that the foundation of our successful project would be built upon personal connections with all the partners involved. In June 2021, we started working on our animation about the project and launched our website, www.integres.eu.

Unfortunately, our first Transnational Meeting had to be online as well. We had planned to go to Ghent in March 2021, but again the long shadow of Covid thwarted our plans.



During the second online Transnational Meeting in Breda in September 2021, we showed each other our first ideas about the courses of Integrated Reporting.

With some restrictions lifted in several countries, we held a hybrid Intense Study Program week in Breda (the Netherlands) in November 2021. Between 15 and 19, students from the universities of Belgium, Italy and the Netherlands could meet face-to-face and collaborate on the various courses about Integrated Reporting designed by the professors and lecturers associated with INTEGRES. We visited some local SMEs and discussed the challenges of Integrated Reporting. Students from Dublin and Lille joined us online.

The second Intense Study Program in April 2022 marked the first time all partners could convene in person at the University of Dublin. Over 40 students participated in intensive workshops offered by the partners. This week gave us a significant boost, and we were confident to finalise all the Intellectual Outputs in time.

During the final year of INTEGRES, we held Transnational Meetings in Bologna (September 2022) and Lille (March 2023). These were again inspiring moments allowing us to meet our partners, visit the university and local SMEs, and show and discuss our draft results.

Over the three years, participants in the project left and came, but the spirit remained, so the development of the course materials always continued.

Next to content-related learning experiences, the INTEGRES project has provided learners and lecturers with intercultural awareness, experiences in international collaboration, and networking and language skills.

We are now immensely proud to show all our Intellectual Outputs, including our courses, MOOC, videos and E-handbook about Integrated Reporting for SMEs, to a broad audience during the Multiplier Event on June 26th, 2023.

Explore the E-book and course materials' structure

Let's unlock the full potential of your learning experience by becoming familiar with the structure and design of this E-book. By doing so, you will be able to navigate the content efficiently, locate chapters, sections or topics that pique your interest and identify the sections that align with your learning goals without wasting time searching.

Users

Our E-book warmly welcomes a diverse range of users that are united by a common interest in integrated sustainability reporting. Join us on this journey if you are:

- A lecturer or course designer specialising in reporting and sustainability within Higher Education. The E-book is equipped with literature, interactive workshops, energizers, and case studies, enabling you to create engaging and impactful courses.
- A curious Bachelor's or Master's student studying Business Economics, Finance & Control, Audit and Accountancy.

Our E-book gives you the necessary tools to dive into non-financial reporting to equip you with the essential skills to guide the way toward a sustainable world.

- A (SME) professional preparing for new sustainability reporting standards. With the growing emphasis on sustainability reporting, our E-book offers a valuable opportunity to expand your knowledge. We have you covered whether reporting is mandatory or you want to share the sustainable performance of the organisation.
- A member of an audit or accounting firm. The new sustainability reporting directive may make your work more challenging or more enjoyable. We acknowledge the importance of assurance of sustainability reporting. The E-book provides insights, tools and frameworks on non-financial reporting.
- A curious soul with a passion for financial, sustainability and integrated reporting. Our E-book extends its reach beyond specific professional domains, welcoming anyone seeking to increase their knowledge in integrated sustainability reporting.



Fig. 1 The INTEGRES modules

Learning principles

The structure of the course material is based on the following learning principles:

- Recognition of diverse learning preferences: Our course materials incorporate different methods to serve the different learning styles, ensuring an inclusive learning experience.
- Consideration of various teaching preferences: The modules are flexible and adaptable, allowing lecturers to personalise their teaching method while still providing accurate content
- Facilitation of knowledge: The E-book aims for learners to acquire knowledge and experiences that enable them to think critically about the issues within their environment so that future opportunities and challenges are better understood.
- Diverse course materials: Our E-book provides a range of structured course material that actively engages learners with integrated sustainability reporting.
- Impact-oriented learning: Our goal is to empower learners with the latest knowledge on integrated sustainability reporting so they can use their skills to impact society positively.

Course materials

The course materials cover several aspects of integrated sustainability reporting. It is structured into 5 modules, each focusing on essential elements that provide a thorough understanding of integrated reporting.

The modules included are:

- **Integrated Reporting for SMEs**
- **The Sustainable Development Goals as a guideline for sustainable business models**
- **Integrated Reporting and Human Capital for SMEs**
- **Integrated Reporting: A case approach**
- **Key Performance Indicators in Integrated Reporting**

By following these modules, you will gain knowledge about integrated sustainability reporting, its importance for SMEs, its alignment with the SDGs, the role of human capital, practical case studies and the use of Key Performance Indicators.

The 5 modules consist of 5 to 9 blueprints. In the E-book, you will discover in total 31 blueprints that serve as the building blocks of each module. The blueprints show the type of material and the duration, learning objectives, prerequisites, suggestions, remarks and references:

- Learning objectives outline what the learner should be able to know, understand, or be able to do by the end of the learning process, acting as a guide for both learners and educators.
- The duration of the course materials depends on the target group and the complexity of the subject.
- Prerequisites, suggestions and remarks are our advice to help you navigate the course materials and to create a customised course or a personalised learning pathway.
- References can be used for preparation of courses and further reading.

Each blueprint contains a QR code, that serves as a portal to access the course materials, such as PowerPoint presentations, assignments, workshops, quizzes, videos and articles. These materials are stored on a publicly accessible file server of Avans University of Applied Sciences, allowing users to view and download

them. You can pick and choose the material to create an optimal mix based on your individual needs and learning objectives.

Navigate

Starting with the first module **Integrated Reporting for SMEs**, followed by the second module, **The SDGs as a guideline for sustainable business models** and finishing with the **Key Performance Indicators in Integrated Reporting** is an option to navigate the E-book. The first two modules are an overview of the basic elements of sustainability, SMEs in Europe and Integrated Reporting. The third module, **Integrated Reporting and Human Capital for SMEs**, focuses on one of the six capitals, the human capital, that builds the Integrated Report. The fourth module, **Integrated Reporting: A case approach**, contains a case study of the Integrated Reporting of an SME. It shows the challenges of an SME faces to create an Integrated Report. In the last module, all elements of the Integrated Report are linked and connected with the internal management processes.

However, you have the flexibility to personalise your own course by selecting the modules in a different order. Your decision could be based on factors such as content relevance, the type of course material, the work size or a specific subject of interest. To assist you in making these choices, you will find an overview on the next page that can guide you through the available options.

'We wish you a fulfilling and enjoyable learning experience, and we hope you get more empowered to contribute to the transition towards a sustainable world.'

INTEGRES – The Journey Towards Integrated Reporting

This E-book provides direction on how to establish an Integrated Report. We can imagine this might seem overwhelming to you right now, but don't panic; we've got you covered! The overview below outlines a roadmap to follow upon completing the courses. Alternatively, if you have prior knowledge or are interested in a specific area, feel free to proceed directly to the relevant step.

Step 1: Know the licence to operate

What is the purpose of the organisation? Why does the organisation exist? The answer to those questions is the framework for action for all decisions made in the organisation. The purpose is the basis for a long-term focus, defining the primary organisational goal, its standing in society, and how the organisation distinguishes itself from its competitors.

Step 2: Align the organisation's strategy to the SDG's

Organisations align their strategy to the Sustainable Development Goals to ensure their operations and activities contribute positively to achieving these goals. By doing so, organisations can demonstrate their commitment to sustainability. In Module 2, you can learn more about the SDGs. Remember, as you strive to achieve the SDGs, recognise the targets and indicators within each goal. Doing this allows you to avoid greenwashing and access more profound insights, bringing you one step closer to a sustainable future for all.

Step 3: Conduct research to identify good examples of IR in the organisation's industry

There is no need to reinvent the wheel. Too often, people tend to start from scratch. It would be best not to waste time and effort doing this. Utilising existing knowledge, resources, or solutions is better and more efficient. To overcome societal challenges, you must prioritise learning from one another. The most effective and efficient way to begin integrated reporting is to look for examples from organisations that have already achieved progress in this area. In Module 4, you find a great example, Gizeta Calze Srl.

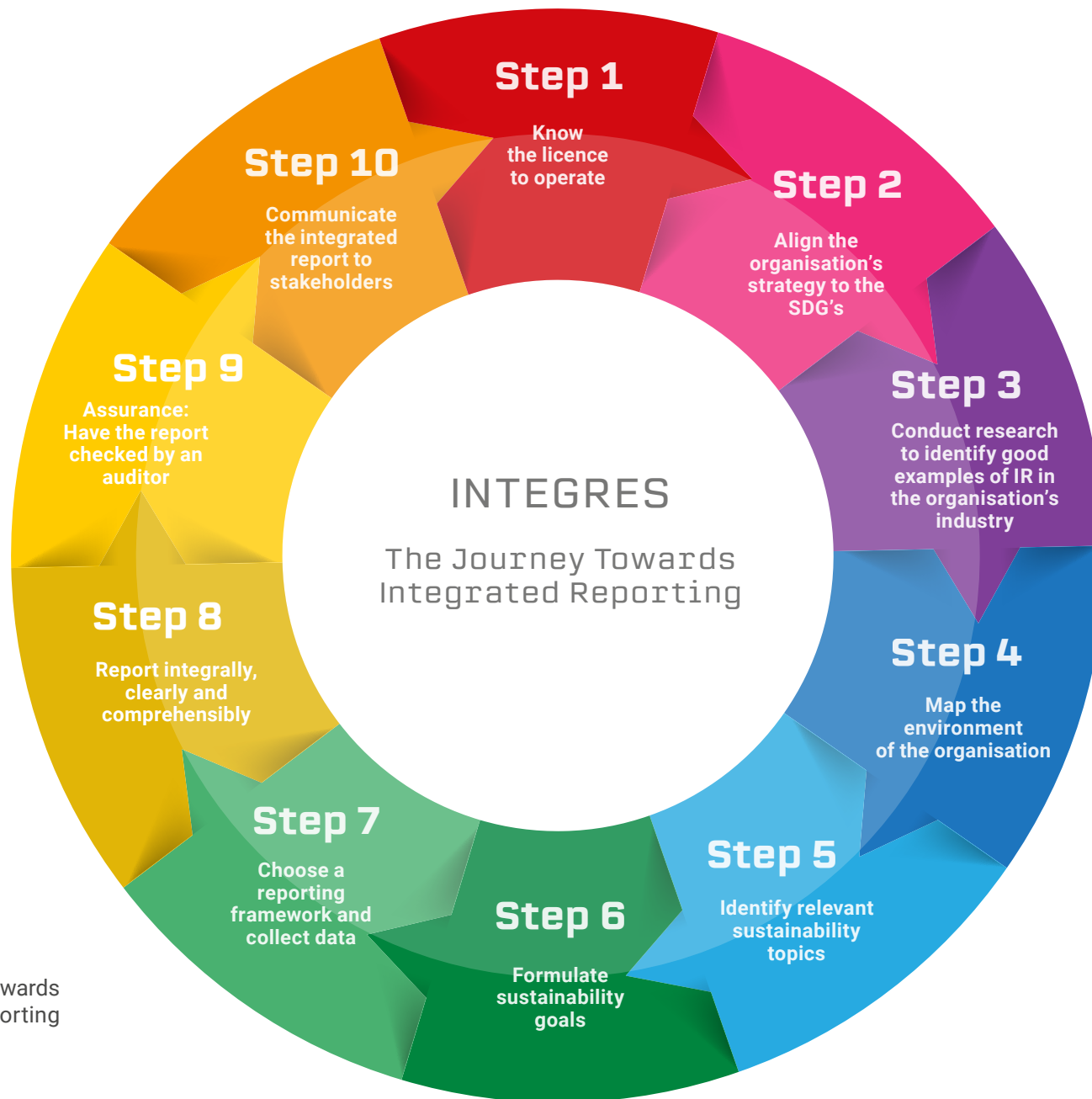


Fig. 2 The 10 steps towards Integrated Reporting

Step 4: Map the environment of the organisation

Knowing the environment in which an organisation operates is essential for identifying opportunities, managing risks, making informed decisions, building stakeholder relationships, and staying agile. Describe the value chain in which the organisation operates and identify the direct, semi-direct and indirect stakeholders. Don't be afraid; you know most of them already. In Module 1, you can find more about the stakeholder dialogue.

Step 5: Identify relevant sustainability topics

The new sustainability directive, the CSRD, requires organisations to report on their sustainability performance, including environmental impact, social responsibility, and governance (ESG reporting).

Review the Integrated Reports of the organisations you collected in step 3 to identify the most relevant topics. Invite your stakeholders, drink a cup of tea with them and discuss these topics. Discuss how the organisation affects society and the environment and how the external environment affects the organisation's financial position.

Map the topics in a materiality matrix. Reporting on these topics is the core of the double materiality principle. In Modules 1 and 5, you can learn more about this subject. Apply the GRI standards, SASB standards and ESRS to determine the sustainability topics. It isn't very easy. But don't be afraid; your accountant, who completed our MOOC, 'Reporting Value Creation and Sustainability for SME', knows how to help you.

Step 6: Formulate sustainability goals

An essential aspect of contributing to a sustainable world is formulating clear and measurable sustainability goals that can be communicated through an Integrated Report. By setting specific, transparent, and ambitious targets aligned with environmental, social and governance principles, organisations can demonstrate their commitment to addressing societal and environmental challenges-link Key Performance Indicators to the goals.

'What gets measured gets managed' - it's true!

In Module 5, you find theories and examples of how to link KPIs to the Six-Capitals model.

Step 7: Choose a reporting framework and collect data

Selecting the proper reporting framework is crucial when reporting on an organisation's performance. The INTEGRES project focused on the International Integrated Reporting Council (IIRC) Framework and the six capitals. In Modules 1 and 3, you can learn more about this framework. The following questions can be asked when collecting data (input, output or outcome) on the six capitals.

Natural recourses for the business operations (Natural Capital)

- How much is the consumption of renewable and non-renewable sources?
- How much is the electricity, heating, cooling, steam and water consumption?
- Does the organisation use solar panels for energy generation?
- How much is the carbon emissions (scope 1, 2 and 3)?
- What is the volume of vegetable, fruit and garden waste? What happens after waste collection?
- What is the impact of the organisation on biodiversity?
- How does the organisation contribute to biodiversity and carbon emissions, water and waste reduction?

The people of the organisation (Human Capital)

- How many employees (by age group and gender) does the organisation have?
- What is the total number and rate of new employee hires by age group and gender?
- What is the Employee turnover by age group, gender, and region?
- What is the ratio of permanent staff and temporary staff?
- Which trainings are offered to employees? What are the average hours of training per employee?
- What is the diversity regarding gender, ethnicity, age group and other relevant characteristics?
- What measures does the organisation undertake to promote inclusion and diversity?
- How satisfied are employees with their work and the working environment?
- What is the absenteeism rate within the organisation?
- What are the core values upheld by the organisation?
- How many reports have been received through the Whistle-blower Policy?

The organisation's brains (Intellectual Capital)

- Does the organisation have patents, trademarks, software copyrights, rights or licences?
- Which systems are utilised within the organisation?
- What tacit knowledge, systems, procedures, or protocols exist within the organisation?

The organisation's relationships (Social and Network Capital)

- How does the organisation score on customer satisfaction?
- Who are the strategic partners?
- What are the shared norms, common values and behaviours of the organisation?
- What is the reputation of the organisation?
- What is the social license to operate the organisation?

Material resources for the business operations (Manufactured Capital)

- How many buildings, vehicles, equipment or infrastructure does the organisation own?
- How much waste does the organisation generate?
- What kind of product does the organisation manufacture?

- Which are the depreciated tangible assets?
- What is the percentage of recycled input materials used to manufacture the organisation's product or services?
- What is the total volume of non-renewable and renewable materials used?

The cash flow (Financial Capital)

What does the pool of funds of the organisation consist of?

To make it easy: the following question is relevant for all capitals:

What are the internal and external consequences (positive and negative) for the relevant capital due to the organisation's business activities and product or service?

If any data or Key Performance Indicators still need to be included, please do it!

Module 5 provides insights into Key Performance Indicators. Apply the GRI standards, SASB standards and ESRS to determine the metrics. Include data from previous years so that the change is visible.

Step 8: Report integrally, clearly and comprehensibly

Make sure to integrate financial and non-financial information in the report. Prepare the Integrated Report clearly and understandably so all stakeholders can get a complete view of the organisation. As mentioned in step 3, learn from the reports from other organisations. Use tables, charts, and infographics to make the information accessible. Be transparent, and don't use complex concepts or terminologies. In Module 3, you can find excellent examples of Integrated Reports.

Step 9: Assurance: Have the report checked by an auditor

If not mandatory, consider having the full Integrated Report reviewed by an auditor. External auditing can increase the reliability and credibility of the information and increase stakeholder confidence. In Module 1, you can find information on assurance in an Integrated Report.

Step 10: Communicate the integrated report to stakeholders

Be proud of your Integrated Report. Make sure that the Integrated Report is shared with all stakeholders. Please post it on your website or social media channels, such as LinkedIn, to reach a broader audience. Even if your organisation is small or non-profit, you can still communicate your value creation in an integrated way via a folder, flyer, blog, newsletter, website, social media, podcast or a short animated video.

Step 11... Don't wait; start with step 1

'Integrated Reporting is not about checking boxes; it's about sharing the amazing multiple value your organisation has created.'



31 Blueprints for Integrated Sustainability Reporting



1 Integrated Reporting for SMEs

Introduction

In the module ‘Integrated Reporting for SMEs’, you will learn the basics of Integrated Reporting, stakeholder dialogue, assurance and EU rules and regulations regarding the Integrated Reporting framework.

Peter Bakker, president of the World Business Council for Sustainable Development, stated that ‘Accountants Will save the World’ in 2013 at the United Nations Rio Conference on Sustainable Development. He asked for new accounting rules to get all businesses involved in solving the world’s most challenging problems. Problems like global warming, increasing scarcity of natural resources, (no) access to clean water and electricity as well as health care, violation of human rights, poverty and inequality.

Since 2013 a lot has changed. That same year, the International Integrated Reporting Council (IIRC) released the Integrated Reporting framework, which can be used for an integrated report. In 2015 195 countries signed the Paris Agreement to keep the rise in mean global average temperature well below 2°C (3.6°F) above pre-industrial levels and preferably limit the increase to 1.5°C. In 2019 The European Commission unveiled the Green Deal, a roadmap to become the first climate-neutral continent by 2050. It contains a new legislation package, rules and directives, including the Corporate

Sustainability Reporting Directive (CSRD). This directive obliges companies to disclose environmental, social and governance (ESG) information, and it applies to large companies and many SMEs.

This module focuses on the basic elements of the Integrated Reporting framework, also known as the Six Capitals model, which could help companies provide a more complete picture in which it creates multiple value. You will meet two sustainable Dutch SMEs and analyse some examples of Integrated Reports. The key components of the Corporate Sustainability Reporting Directive will be explained. Important concepts related to the Integrated Report will be explained, like materiality and stakeholders’ dialogue. Finally, you will learn the value of assurance in an integrated report.

Unit	Description
1.1	SMEs and Sustainability in Europe
1.2	Sustainability Reporting and Regulations in Europe
1.3	Integrated reporting and the Six Capitals model
1.4	Stakeholder Dialogue & Materiality
1.5	Assurance in an integrated report



1.1 SMEs and sustainability in Europe

How important are the SMEs for the European economy, and what is their impact on sustainable development?

Keywords:

SME
Europe
Planetary boundaries

Code: INTEGREGC101

Description

This unit overviews sustainability and European small and medium enterprises (SMEs). It starts at a macro (country) level. Learners will create an overview of the sustainability landscape of Europe. It is a way to learn about the trends in sustainability and the differences in Europe.

Type of material

- Module 1 Manual Course
- Assignments: individual and collaborative
- Readings
- Videos

Duration

- 60 minutes of lecture
- 270 minutes of assignments

Learning objectives

- Learners **understand** the importance of SMEs for the European economy.
- Learners are **aware** of relevant issues related to sustainability in Europe.
- Learners can **explain** the relationship between sustainability and SMEs.

Suggestions

This unit is mainly focused on SMEs. It is a basic introduction to create awareness for sustainability and SMEs in Europe. Learners could make it more interesting if they do a little research about a European country that is not familiar to them. The learner must have some curiosity for Europe and should be able to conduct desk research.

Remarks

This unit represents a module within the [MOOC](#) which contains additional study material.

References

- Cicea, C., Popa, I., Marinescu, C., Catalina Stefan, S. (2019). [Determinants of SMEs' performance: evidence from European countries](#), Retrieved April 8, 2022.
- Sustainable Development Solutions Network. (2022) [Europe-sustainable development report 2022](#), Retrieved June 2, 2022.



1.2 Sustainability reporting and regulations in Europe

What are the key aspects of the new European Corporate Sustainability Reporting Directive?

Keywords:

Regulations

CSRD

Double Materiality

Code: INTEGRESC102

Description

This unit focuses on the development of governance in sustainability reporting. It describes the history of accounting, elaborates on different concepts of sustainability accounting, and the institutes that have developed sustainability reporting and standards. This unit also covers the European Corporate Sustainability Reporting Directive and its key principles..

Type of material

- Slides: PowerPoint presentations
- Assignments: individual and collaborative + discussion
- Readings
- Videos

Duration

- 90 minutes of lecture
- 270 minutes of assignments

Learning objectives

- Learners can **identify** the key developments in accounting.
- Learners can **identify** the main institutes related to non-financial reporting.
- Learners can **identify** the core law and regulations related to disclosing non-financial information.
- Learners can **understand** the key elements of the Corporate Sustainability Reporting Directive.

Suggestions

- We recommend starting with the lecture 'History of Accounting'. This sets the stage for the introduction to ESG and integrated reporting. Then, the learners can watch the video on historical accounting in preparation for the lecture.
- The second lecture is about the laws and regulations concerning ESG reporting. Combine this lecture with a recent Integrated Report (examples could be HAVEP, Acciona or ASML)
- Learners could do the assignments together.
- This unit contains an assignment with a group discussion. A debate could create more awareness about accounting and sustainability for SMEs.

Prerequisites

Learners should know the basic financial and accounting principles.

Remarks

This unit represents a module within the [MOOC](#) which contains additional study material. Rubrics to assess the assignments are included in this module.

References

- SME United. (2022). [Position Paper on the Proposal for a Directive on Corporate Sustainability Due Diligence \(CSDDD\)](#), Retrieved January 26, 2023.
- Bielawska, A. (2022). [Socially Responsible Activity of Micro-, Small-, and Medium-Sized Enterprises - Benefits for the Enterprise](#), Retrieved February 7, 2023.



1.3 Integrated Reporting and the Six Capitals Model

What are the main steps to create an Integrated Report?

Keywords:

Six Capitals model
Multiple Value
Creation

Code: INTEGRESC103

Description

This unit examines Integrated Reporting. First, learners understand the concept of integrated reporting and the benefits and obstacles, especially for SMEs. Furthermore, the main steps to creating an Integrated Report will be discussed. Finally, this part of the module explicitly addresses a key element of an Integrated Report, the Six-Capitals model.

Type of material

- Slides: PowerPoint presentation
- Assignments: individual and collaborative
- Readings
- Videos

Duration

210 minutes of workshops (including a lecture and assignments)

Learning objectives

- Learners can **explain** the concept of integrated reporting.
- Learners can **identify** the main steps to create an Integrated Report, especially for SMEs.
- Learners **understand** the benefits and obstacles of Integrated Reporting, especially for SMEs.
- Learners can **identify** the core elements of the Six Capitals model.
- Learners can **apply** the core elements of the Six Capitals model for an SME.

Prerequisites

Learners should know some basic knowledge of professional organisations.

Remarks

This unit represents a module within the [MOOC](#) which contains additional study material.

References

- Integrated Reporting Reporting Council. (2018). [Integrated Reporting for SMEs: Implementation Guidance](#), Retrieved November 22, 2022.
- International Federation of Accountants. (2017). [Creating Value for SMEs through Integrated Thinking](#), Retrieved February 19, 2023.
- Del Baldo, M. (2018). [Integrated Reporting in Small and Medium Enterprises: Issues and Perspectives from Italy](#), Retrieved September 13, 2022



1.4 Stakeholder Dialogue & Materiality

How to start a sustainable dialogue with your stakeholders?

Keywords:
Stakeholder dialogue
Materiality

Code: INTEGRESC104

Description

This unit focuses on the significance of engaging stakeholders in the process of creating an Integrated Report. Establishing effective dialogue with stakeholders is a crucial step that organisations must undertake in order to identify and address material topics collaboratively.

Type of material

- Slides: PowerPoint presentation
- Assignments: individual and collaborative
- Readings
- Videos

Duration

- 60 minutes of lecture
- 120 to 180 minutes of assignments/workshops

Learning objectives

- Learners **understand** the need for stakeholder dialogue.
- Learners **experience** a stakeholder dialogue.
- Learners **understand** which stakeholders are important to an organisation.
- Learners **learn** how an organisation decides which topics and what information should be disclosed.
- Learners **create** a materiality matrix.

Suggestions

- To get a general understanding, we advise reading the articles first.
- The workshops are interactive and demand creativity from the lecturers and learners.

Prerequisites

We advise combining this unit with the unit Integrated Reporting and the Six Capitals model.

Remarks

The workshop includes some examples of organisations as illustrations. It is easy to adapt the workshop to other (local) organisations.

References

- [Integrated Reporting for SME Transparency](#). (2021). Integrated Reporting Guide for SMEs, page 22-36, Retrieved February 17, 2023.
- International Federation of Accountants. (2017). [Creating Value for SMEs through Integrated Thinking](#), Retrieved February 19, 2023.



1.5 Assurance in an integrated report

What is the role and significance of assurance in an integrated report?

Keywords:

Assurance
Auditor
Greenwashing

Code: INTEGRESC105

Description

This unit addresses assurance in an Integrated Report. Relevant rules, regulations and guidelines are explained. The unit provides an explanation of the value that assurance brings to an Integrated Report.

Type of material

- Slides: PowerPoint Presentation
- Assignment: individual and collaborative
- Videos
- Readings

Duration

60 minutes of lecture

Learning outcomes

- Learners **know** the relevant rules, regulations, guidelines and organisations regarding assurance for an integrated annual report.
- Learners **understand** the added value of assurance in an integrated report.
- Learners **consider** their own opinion on the value of assurance in sustainability information.

Suggestions

The workshops will be more interesting if the lecturer shows various examples of (local) organisations.

Prerequisites

Before proceeding with this unit, we strongly recommend completing the unit 1.2 on Sustainability Reporting and Regulations in Europe.

Remarks

This unit represents a module within the [MOOC](#) which contains additional study material.

References

- [European Federation of Accountants and Auditors for SMEs](#). (2022). Retrieved February 17, 2023.
- International Federation of Accountants, International Integrated Reporting Council. (2021). [Integrated Reporting Assurance in the Public Interest](#), Retrieved February 17, 2023.
- Accountancy Europe. (2022). [Sustainability assurance under the CSRD](#) (Accountancy Europe), Retrieved February 22, 2023.
- WBCSD. (2019). [A buyer's guide to assurance on non-financial information](#), Retrieved March 14, 2023.
- Carmichael, D, Soonawalla, K, Stroehle, J. (2023) [Sustainability Assurance as Greenwashing](#), Retrieved May 9, 2023.





2 The SDGs as a guideline for sustainable business models

Introduction

The module 'The Sustainable Development Goals (SDGs) as a Guideline for Sustainable Business Models' will teach learners how to align SDGs with business models in SMEs. Several best practices will show how SMEs can identify and implement SDGs in their business model. Furthermore, learners will learn to help SMEs determine the most relevant SDG and formulate tailor-made actions.

The Sustainable Development Goals are a universal call to action to end poverty, protect the planet and improve the lives and prospects of everyone everywhere. The 17 goals were adopted by all UN Member States in 2015 as part of the 2030 Agenda for Sustainable Development, which set out a 15-year plan to achieve the goals. They are the blueprint for achieving a better and more sustainable future. They address global challenges, including poverty, inequality, climate change, environmental degradation, peace and justice.

Because central governments need help to achieve these goals, it is important that companies and organisations also cooperate to achieve these goals. More and more companies are using the SDGs to integrate sustainability into their business strategy to ensure long-term value creation. Communicating and reporting about their sustainability policy allow companies to determine where the most progress is and where extra efforts are needed.

This module examines the 17 Sustainable Development Goals.

Unit	Description
2.1	The Sustainable Development Goals
2.2	Align your strategy to the SDGs
2.3	Transition to a sustainable business model
2.4	Measure the impact and performance of the SDGs
2.5	Align reporting to the SDGs

2.1 The Sustainable Development Goals

What are the Sustainable Development Goals?

Keywords

SDGs

United Nations

Code: INTEGRESC201

Description

This unit examines the 17 Sustainable Development Goals (SDGs). Learners acquire a good understanding of all SDGs and how they influence each other. This insight is important to learn to identify and prioritise the most relevant SDGs (material) for an SME and its stakeholders. Conducting a comprehensive risk assessment of the business, including supply chains and business relationships with third parties, will help to understand the risks and impact of the company on each of the SDGs. In addition, it can help to define and prioritise the plans and align the strategy of the SME with the SDGs to make the most significant positive difference or reduce negative impact.

Type of material

- Module 2 Manual Course
- Slides: PowerPoint presentation
- Readings
- Videos
- Quiz

Duration

- 30 minutes of the lecture 'SDG framework - Bingo.'
- 60 minutes of quiz
- 30 minutes of the lecture 'SDG framework - Bingo'.
- 45 minutes of the lecture 'SDG wedding cake'.
- 30 minutes of discussion
- 30 minutes of the lecture 'Importance of the SDG framework for SMEs'.
- 90 minutes of a simulation of a board meeting

Learning objectives

- Learners **know and understand** the SDG framework.
- Learners can **explain** the importance of the SDG framework.
- Learners **understand** the SDG framework's holistic approach, i.e., how the SDGs influence each other.
- Learners can **explain** why a risk assessment is important to determine the company's impact on each SDG.
- Learners **understand** the risks and impact of the business on each of the SDGs.

Suggestions

This unit examines the 17 Sustainable Development Goals. We recommend that the learners visit [the UN website](#) to learn more about the SDGs.

Remarks

This unit represents a module within the [MOOC](#) which contains additional study material.

References

- Cifal Flanders; UNITAR. (2019, August). [Agenda 2030 & the Sustainable Development Goals: A Moral Compass & Action Plan for Just Transition Management](#), Retrieved June 27, 2022.
- Global Reporting Initiative; United Nations Global Impact. (2018). [Integrating the Sustainable Development Goals into Corporate Reporting: A Practical Guide](#), Retrieved June 27, 2022.
- UNDP. (2018). [Sustainable Development Goals Booklet](#), Retrieved June 27, 2022.



2.2 Align your strategy to the SDGs

How can an organisation align its strategy to the SDGs?

Keywords

Strategy SDGs
Stakeholder

Code: INTEGRESC202

Description

In this unit, ample attention is paid to the importance of aligning the objectives with the organisation and the benefits of integrating the relevant SDGs into the strategy. Connecting the company's goal with the SDGs is very important to bring these SDGs to the heart of the SME. This makes it clear that management endorses and supports the SDGs. This is illustrated and underpinned with practical examples as well as case studies.

Type of material

- Slides: PowerPoint presentation
- Case studies
- Assignments
- Readings
- Quiz
- Workshop
- Plenary discussion
- Game

Duration

- 60 minutes of the lecture 'SDG targets and business goals'.
- 90 minutes of assignments Bloomon
- 90 minutes of assignments Lidl/Jumbo
- 30 minutes of assignments 'Link SDGs to business goals'.
- 90 minutes of the lecture 'Aligning the corporate strategy to the SDG Framework part 3'
- 60 minutes of web application
- 90 minutes of quiz

Learning objectives

- Learners can **explain** the reasons to include the SDGs in the business strategy.
- Learners can **identify** the most relevant SDGs for an SME and its stakeholders.
- Learners can **prioritise** the most relevant SDGs for an SME and its stakeholders.
- Learners can **stipulate** the specific (sub)targets most relevant to a company's activities and operations.
- Learners **critically assess** the business strategy based on the contribution to the SDGs.
- Learners **understand** the benefits of integrating the relevant SDGs into the corporate strategy.

Suggestions

The case studies used in this unit could be changed to local organisations.

Prerequisites

Learners should know and understand the SDG framework. It is recommended to complete the unit 2.1 on The Sustainable Development Goals before proceeding to this unit.

Remarks

This unit represents a module within the [MOOC](#) which contains additional study material.



2.3 Transition to a sustainable business model

How can an organisation transition to a sustainable business model?

Keywords

SME
Transition

Code: INTEGRESC203

Description

The third unit of this module discusses sustainable business models. For SMEs, integrating and anchoring sustainability in the strategy can lead to simple (strategic) business model adjustments. Still, it can also cause some SMEs to change their business model completely. In this part, learners learn to look at business models for SMEs from a different perspective, by considering the SDGs. They learn when business models are sustainable and how to get started with the Sustainable Business Model Canvas. Various cases are presented with examples and best practices of sustainable and innovative business models, such as circular business models.

Type of material

- Slides: PowerPoint presentation
- Case studies
- Assignments
- Readings
- Videos
- Workshop
- Plenary discussion

Duration

- 40 minutes of the lecture 'Course 2 business models part 1'
- 10 minutes of the lecture 'Course 2 business models part 2'
- 30 minutes of the lecture 'Course 2 business models part 3'
- 45 minutes of assignments 'archetypes'
- 45 minutes of assignments 'jam board Sustainable business models'
- 70 minutes of the workshop, including plenary discussion and case HNST
- 90 min. of assignments 'sustainable business model canvas'
- 90 minutes of assignments 'Mistral Home: a sustainable business model'
- 60 minutes of assignments 'Mistral Home: transition to a more circular company'

Learning objectives

- Learners can **evaluate** the sustainability aspect of a business model.
- Learners have **insight** into several innovative sustainable business models.
- Learners can **use** the Sustainable Business Model Canvas.
- Learners can **provide** examples of sustainable business models.
- Learners can **explain** which revenue models can be used for sustainable businesses.

Suggestions

The examples used in this unit could be changed to local organisations.

Prerequisites

Learners should know and understand the SDG framework.

Remarks

This unit represents a module within the [MOOC](#) which contains additional study material.

References

- Bocken, N. M., Short, S. W., Rana, P., & Evans, S. (2014). [A literature and practice review to develop sustainable business model archetypes](#)
- KPMG, Copper8, Kennedy Van der Laan. (2019, September). [Circular revenue models](#), Retrieved June 27, 2022.
- Sustainability. (2014). Model Behavior: 20 Business Model Innovations for Sustainability.
- Jonker, J; Kothman, I; Faber, N; Montenegro Navarro, N. (2018). [Organising for the circular economy](#), Retrieved June 27, 2022.



[Click here to access this unit](#)

2.4 Measure impact and performance to the SDGs

How can an organisation measure its impact and performance on the SDGs?

Keywords

Impact
KPIs
Performance

Code: INTEGRESC204

Description

The SDGs provide SMEs with insight into both opportunities and risks. As a result, they provide the SME with important management information. However, many SMEs need help to achieve the specific and tangible SDGs. In the fourth unit of this module, attention is paid to measuring this impact and performance based on relevant KPIs and the use of an SDG dashboard. Learners are presented with multiple case studies from SMEs. Their task is to identify key performance indicators (KPIs) that align with the relevant Sustainable Development Goals (SDGs) for each company. These identified KPIs can then be incorporated into a comprehensive KPI dashboard.

Type of material

- Slides: PowerPoint presentation
- Case studies
- Assignments
- Readings
- Videos
- Workshop
- Game

Duration

- 20 minutes of the lecture 'SDG dashboard part 1'.
- 60 minutes of assignments 'Which SDG am I'.
- 15 minutes of the lecture 'SDG dashboard part 1'.
- 90 minutes of assignments 'Mistral Home: SDG dashboard'.

Learning objectives

- Learners can **explain** the importance of measuring and monitoring impact and performance on the SDGs.
- Learners are **familiar** with non-financial KPIs concerning sustainability.
- Learners can **define** SDG performance indicators.
- Learners can **read and develop** an SDG dashboard.

Suggestions

The case study used for the assignment could be changed to a local organisation.

Prerequisites

Learners should know and understand the SDG framework.

Remarks

This unit represents a module within the [MOOC](#) which contains additional study material.

References

Global Reporting Initiative. (2020, March). [Linking the SDGs and the GRI Standards](#), Retrieved June 27, 2022.



2.5 Align reporting to the SDGs

How can an organisation align their reporting to the SDGs?

Keywords

Reporting
Communication

Code: INTEGRESC205

Description

The final unit deals with communicating the results to the stakeholders of the SME. How does the business model contribute to the realisation of the chosen SDG, and what is the future strategy that the company will follow to achieve impact? This can be done in a sustainability or impact report but also in an integrated annual report. The learners study various reports and draw inspiration from them to formulate proposals for several cases.

Type of material

- Slides: PowerPoint presentation
- Case studies
- Assignments
- Readings
- Workshop
- Plenary discussion

Duration

- 40 minutes of lecture
- 90 minutes of assignments 'Booklet'.
- 30 minutes of assignments 'video'

Learning objectives

Learners have **insight** in how SDGs can contribute to better reporting.

Suggestions

The case study used for the assignment could be changed to a local organisation.

Prerequisites

Learners should know and understand the SDG framework.

Remarks

This unit represents a module within the [MOOC](#) which contains additional study material.

References

Global Reporting Initiative; United Nations Global Impact. (2018). [Integrating the Sustainable Development Goals into Corporate Reporting: A Practical Guide](#), Retrieved June 27, 2022.





3 Integrated Reporting and Human Capital for SMEs

Introduction

The module ‘Integrated Reporting and Human Capital for SMEs’ gives learners a deeper understanding of SMEs’ non-financial reporting. It specifically focuses on the importance of Human Capital (HC) in contributing to value creation and teaches learners how to report on this aspect. The module highlights the relevance of providing non-financial information in company disclosure, presents various guidelines and frameworks for reporting and enables learners to analyse HC reporting practices with full knowledge of the facts.

Regardless of the framework, model, or regulation considered, Human Capital (HC) plays a relevant role in company reporting. It is one of the six capitals in Integrated Reporting, a key pillar in the social dimension of GRI guidelines, and one of the three capitals in intellectual capital reporting. HC is also the object of a recently dedicated standard for HC management and reporting issued by the International Standard Organisation (ISO 30414:201).

This module introduces learners to the various reporting forms organisations use. It covers Corporate Social Responsibility (CSR) and Environmental, Social and Governance (ESG) reporting. The main motivations for non-financial reporting will be presented, and the

greenwashing phenomenon will be addressed. Learners will also learn how to report information on Human Capital (HC), particularly in the context of SMEs. Exploring HC reporting practices will enable learners to understand better how HC contributes to SMEs’ business models, value creation and social impacts. The module includes a case study and a business game where learners can design an integrated report section focused on HC disclosure.

Unit	Description
3.1.	Non-financial reporting
3.2	Regulation on non-financial reporting and possible greenwashing practices
3.3	Sustainability reporting and the evolution of reporting practices
3.4	Frameworks for reporting and assurance
3.5	Human Capital Reporting as a Route to Value Creation
3.6	Human Capital Disclosure and Frameworks
3.7	SMEs’ most relevant dimensions and approaches to Human Capital disclosure
3.8	Human Capital Disclosure in Practice - The Monnalisa Case
3.9	Human Capital Disclosure within Integrated Reporting - Sustainable Fashion4You Business Game

3.1 Non-financial reporting

Why is non-financial reporting important for an organisation?

Keywords

Non-Financial information
CSR
ESG

Code: INTEGRESC301

Description

Integrated Reporting is an approach to reporting non-financial information to stakeholders. This unit discusses the evolution of reporting practices since the 1970s, and it emphasises the commitment of researchers, institutions and companies to enhance business accountability towards society and the environment.

Type of material

- Module 3 Manual Course
- Slides: PowerPoint presentation
- Quiz: individual

Duration

- 200 minutes of lecture
- 40 minutes of quiz

Learning objectives

- Learners can **perceive** companies' importance in engaging with sustainability and report non-financial information.
- Learners **realise** the benefits for companies to report sustainability and non-financial information.
- Learners **understand** the concept of sustainability and compare it with related concepts of CSR and ESG.
- Learners can **identify** the key differences between financial and non-financial reports.

Suggestions

The instructor may use online videos showing the negative impacts of climate change to reinforce the urgency to act for society and businesses.

Remarks

The development of this unit can be reinforced by accessing the MOOC, with particular reference to week no. 1, unit 1.2. on the concept of sustainability.

References

- European Commission. [Special Eurobarometer 513 - Climate Change](#),
- World Business Council for Sustainable Development. [How we drive sustainable development](#).
- European Commission. [Promoting a European framework for corporate social responsibility](#) (2001).
- World Commission on Environment and Development. (1987). Our common future, 17(1), 1-91.
- Dumay, La Torre, Farneti, (2019), Developing trust through stewardship: Implications for Intellectual Capital, Integrated Reporting, and the EU Directive 2014/95/EU, Journal of Intellectual Capital, for special issue Extending Intellectual Capital Through Integrated Reporting special issue, Vo. 20, N.1., pp. 11-39.



3.2

Regulation on non-financial reporting and possible greenwashing practices

What are the regulations on non-financial reporting, and how do they address possible greenwashing practices?

Keywords

Paris Agreement
European Green Deal
Greenwashing

Code: INTEGRESC302

Description

This unit focuses on two interrelated topics: soft and hard regulation that attempts to guide businesses in reporting sustainability and greenwashing practices. The regulation represents a key driver that pushes businesses to report. In order to prevent greenwashing, governments believe that mandatory reporting requirements may be necessary. However, it is important to acknowledge that even with strict rules, there is still a possibility of organisations providing incomplete or misleading information.

Type of material

- Slides: PowerPoint presentation
- Quiz: individual

Duration

- 200 minutes of lecture
- 40 minutes of quiz

Learning objectives

- Learners can **identify and access** the main sources of regulation on non-financial reporting.
- Learners **understand** the requirements of local companies.
- Learners can **identify** practices of greenwashing.
- Learners can **apply** the concept of greenwashing and misleading communication to single cases of environmental and social disasters caused by company actions.

Suggestions

Depending on the context/country, the instructor may check for national peculiarities and norms to integrate into the lecture.

Remarks

The instructor shall check for updates on the Corporate Sustainability Reporting Directive (CSRD) issued by the European Union in the [MOOC](#), where they can find updated material. In particular, the instructor may access week 5, where detailed information on the previous EU directive, Non-Financial Reporting Directive, and the latest CSRD Directive are described.

References

- Mancini, D., Piedepalumbo, P., Stacchezzini, R., Cortese, D. (2022). Theories in Integrated Reporting and Non-financial Information Research. In: Cinquini, L., De Luca, F. (eds)
- KPMG. (2020). [Survey of Sustainability Reporting](#).
- European Central Bank. (2021). [Towards a green capital markets union](#).



3.3

Sustainability and the evolution of reporting practices

Why should SMEs report on sustainability, and how have reporting practices evolved?

Keywords

Social report
Sustainability report
Integrated thinking

Code: INTEGRESC303

Description

This unit focuses on sustainability reporting within the context of SMEs, which represent the economic backbone of many countries. Opportunities, barriers and drivers for reporting are discussed. Additionally, this module offers a longitudinal overview of the development of social and environmental reporting, starting with the first types of social accounting and ending with modern integrated reporting standards. Recognizing the challenges that SMEs face in adopting sustainability reporting, the unit concludes by presenting a tailored reporting proposal designed specifically for smaller businesses.

Type of material

- Slides: PowerPoint presentation
- Quiz: individual

Duration

- 200 minutes of lecture
- 40 minutes of quiz

Learning objectives

- Learners **understand** the benefits of reporting for SMEs.
- Learners can **detect** the differences between a social report, a sustainability report and an integrated report.

Suggestions

The instructor may decide to switch the order of presentation of the ppt material depending on the type of learners and the goals of the lecture. Therefore, instead of starting from the specific context and issues (opportunities and barriers for SMEs to report) for subsequently entering the analysis of which type of report companies may prepare, the instructor may start presenting all different forms of reporting non-financial information and then make a focused analysis on the specific situation of SMEs.

Remarks

The instructor can access the [MOOC](#) to integrate information on the role of SMEs, with particular reference to the following sections: Week no. 1, section 1.6. The role of SMEs in contributing to the realisation of SDGs and Week no. 2 section 2.2. Small and medium-sized enterprises in Europe and sustainability.

References

- Generali; SME EnterPRIZE. [Fostering Sustainability in Small and Medium-sized Enterprises](#).
- Network Italiano Business Reporting. (2018). [Integrated Reporting for SMEs: Implementation Guidance](#).



3.4 Frameworks for reporting and assurance

Which frameworks are available for reporting and assurance?

Keywords

Guidelines

Reporting Standards

Assurance

Code: INTEGRESC304

Description

The main frameworks and standards for reporting social and environmental information are covered in this module. The GRI standards, SASB standards, World Economic Forum metrics, IR framework, TCFD (Task Force on Climate-related Financial Disclosures) framework and SDGs reporting are all mentioned. The module also focuses on the challenges and opportunities involved in integrating, harmonising and linking these various standards and metrics. Additionally, information on the key standards for sustainability reporting assurance is provided. Finally, fresh insights from empirical surveys and data are offered.

Type of material

- Slides: PowerPoint presentation
- Quiz: individual
- Videos

Duration

- 200 minutes of lecture
- 40 minutes of quiz

Learning objectives

- Learners **understand** the main differences between the different guidelines and standards proposed.
- Learners can **identify** which framework best fits the needs of a specific company.
- Learners **understand** difficulties in comparing reports from different companies with different frameworks.
- Learners **understand** the benefits and obstacles to the assurance of reports.

Suggestions

The instructor may opt not to use the empirical insights on assurance provided in the appendix that refer to single countries. On the contrary, they may check whether more recent data is available from large accounting and auditing companies' websites and online reports.

Remarks

The instructor may consider accessing the MOOC, week no. 1, section 1.5 (How to communicate and report about the company's commitment to the SDGs), where SDGs reporting is presented. There are no current standards for SDGs reporting, but a company might be interested in showing its commitment to sustainable development.

In addition, the instruction may use the video published on the [MOOC](#), week no.2, section 2.3.3, where the history of sustainability and integrated reporting and the six capitals model is provided.

References

- De Freitas Netto, S.V., Sobral, M.F.F., Ribeiro, A.R.B. et al. [Concepts and forms of greenwashing: a systematic review](#). Environ Sci Eur 32, 19 (2020).
- [Guidance on the implementation of directive 2005/29/ec on unfair commercial practices](#).
- Kangun, N., Carlson, L., & Grove, S. J. (1991). [Environmental Advertising Claims: A Preliminary Investigation](#). Journal of Public Policy & Marketing, 10(2), 47-58.
- KPMG. (2022). [WEF IBC Common metrics](#).
- Aureli S., Medei R., Supino E. and Travaglini C. (2017), [Sustainability disclosure and a legitimacy crisis: Insights from two major cruise companies](#), European Journal of Tourism Research.



3.5 Human Capital Reporting as a Route to Value Creation

How does Human Capital Reporting contribute to Value Creation?

Keywords

Human Capital Elements
Knowledge Economy
Digital Era

Code: INTEGRESC305

Description

This unit focuses on understanding Human Capital (HC) and its elements. Furthermore, the unit underlines the importance of HC in a knowledge economy and the increasing role of intellectual capital as a driver for value creation. This unit also contextualises HC's role in the digital era. Last but not least, the IIRC, < IR Framework> is used to analyse human capital.

Type of material

- Slides: PowerPoint presentation
- Readings
- Quiz: individual
- Videos

Duration

- 100 minutes of lecture
- 20 minutes of quiz

Learning objectives

- Learners **perceive** the importance of Human Capital as a value driver, especially in a digital era.
- Learners **understand** the link between Human Capital, strategy, business model and value creation and the different elements that constitute Human Capital.
- Learners **interpret** Human Capital in the light of intellectual capital studies.

Suggestions

It is suggested to check whether the online video links are still working.

Prerequisites

It is recommended to complete the previous units of this module before proceeding to this unit.

Furthermore, before submitting this unit, learners are invited to:

- Read the paper by Vidotto, J.D.F., Ferenhof, H.A., Selig, P.M. and Bastos, R.C. (2017), [A human capital measurement scale](#), Journal of Intellectual Capital, Vol. 18 No. 2, pp. 316-329.
- Prepare a definition of Human Capital.

Remarks

The study of this unit can be reinforced by the study materials (readings, videos, cases, assignments) included in the [MOOC](#), with particular reference to the following sections of week no. 5 titled 'Human capital reporting as a route to value creation: 5.1 Introduction and 5.2 Human Capital.

References

European Commission. [SME definition](#).



3.6 Human Capital Disclosure and Frameworks

Which are the frameworks to disclose Human Capital information?

Keywords

Human Capital
Guidelines
Frameworks

Code: INTEGRESC306

Description

This unit describes alternative guidelines and frameworks for Human Capital (HC). The GRI guidelines for HC measurement and disclosure in accordance with ISO 26000:2010 and ISO 30414:2018 are introduced. A comparative analysis is conducted, comparing the <IR Framework> by IIRC, GRI G4, and ISO 30414:2018. Lastly, the Sustainability Accounting Standard Board standards are discussed.

Type of material

- Slides: PowerPoint presentation
- Readings
- Quiz: individual
- Videos

Duration

- 100 minutes of lecture
- 20 minutes of quiz

Learning objectives

- Learners can **identify** theoretical and practical issues about integrated reporting and human capital disclosure.

- Learners **gain an overview** of the key frameworks for human capital reporting.
- Learners **understand** where information on Human Capital is disclosed and compare tools provided by different reporting frameworks.
- Learners can **identify** the different reporting frameworks that include Human Capital.

Suggestions

It is suggested to check whether the online video links are still working and whether there are updates to the guidelines and frameworks.

Prerequisites

It is recommended to complete this module's previous units before proceeding to this unit.

Remarks

The study of this unit can be reinforced by the study materials included in the [MOOC](#), with particular reference to the following section of week no. 5 titled 'Human capital reporting as a route to value creation: 5.3 Reporting human capital information according to different standards. This also enriches the study of this topic by introducing the EU Non-Financial Reporting Directive (2014/95/EU)

and the recent new Directive on Corporate Sustainability Reporting Directive (CSRD - 2022/2464/EU).

References

- International Integrated Reporting Council. [International <IR> Framework](#) (2021).
- KPMG. (2014, September). Bridging the gap between Integrated and GRI G4 Reporting,
- Global Reporting Initiative; ISO. (2014, January). GRI G4 Guidelines and ISO 26000:2010 [How to use the GRI G4 Guidelines and ISO 26000 in conjunction](#).
- Global Reporting Initiative; ISO. (2013). [G4 Sustainability Reporting Guidelines - Reporting Principles and Standard Disclosures](#).
- Global Reporting Initiative; ISO. (2013). [Implementation Manual](#), Retrieved March 31, 2022.
- SASB Standards. (2020, November). [SASB Human Capital Bulletin](#).



3.7 SMEs' most relevant dimensions and approaches to Human Capital disclosure

What are the most relevant dimensions and approaches to Human Capital disclosure for SMEs?

Keywords

SMEs
Human Capital
Critical Thinking

Code: INTEGRESC307

Description

There is a great quantity of evidence on integrated reporting in large, listed companies. However, there is still plenty to learn about SMEs. The primary challenges that SMEs face when attempting non-financial information disclosure and integrated reporting are discussed in this lesson, along with the reasons for the demand for additional information on SMEs.

Type of material

- Slides: PowerPoint presentation
- Readings
- Quiz: individual
- Assignment: individual
- Videos

Duration

- 30 minutes of lecture about the key characteristics of SMEs
- 30 minutes of critical thinking on IR and SMEs on a jamboard
- 40 minutes of lecture/discussion on learners' comments with the integration of the last part of the slides
- 20 minutes of quiz

Learning objectives

- Learners **understand** what the key topics related to Human Capital are in practice, i.e. the dimensions of Human Capital that SMEs value most.
- Learners **understand** what is critical about Human Capital in SMEs.

Suggestions

It is suggested to create a shared jamboard before the lesson starts. Furthermore, checking whether the links to the materials available on the Internet are still working is suggested.

Prerequisites

It is recommended to complete the previous units of this module before proceeding to this unit. Furthermore, completing units: 1.1. SMEs and sustainability in Europe and 1.3 would be helpful. Integrated Reporting and the Six Capitals model.

Remarks

The study of this unit can be reinforced by the study materials included in the [MOOC](#), with particular reference to the section of week no. 5 titled 'Human capital reporting as a route to value creation: 5.4 Human capital reporting - a SME case. This also enriches the study of this topic by introducing the concepts of Benefit Corporation and B Corp.

References

World Economic Forum. (2020). [Toward Common Metrics and Consistent Reporting of Sustainable Value Creation](#).



3.8 Human Capital Disclosure in Practice – The Mona Lisa Case

How can an SME disclose Human Capital information?

Keywords

SME

Materiality Matrix

Human Capital
Disclosure

Code: INTEGRESC308

Description

In this unit, a real case study is presented as a good example of an Integrated Report developed by an Italian SME. The unit focuses on how the organisation's strategy, business model, material topics and Key Performance Indicators are disclosed in the Integrated Report. By engaging with the case study, learners can develop practical experience and a deeper understanding of how to integrate human capital reporting effectively through several guidelines and frameworks.

Type of material

- Slides: PowerPoint presentation
- Readings
- Workshop: collaborative

Duration

- 15 minutes of lecture to introduce the case and the requirements
- 80 minutes of assignment
- 25 minutes of the lesson to correct the assignment

Learning objectives

- Learners can **read** and understand real company reports.
- Learners can **analyse** and **evaluate** Human Capital reporting in practice, i.e. extrapolate and summarise key information on Human Capital from reports and non-structured documents.
- Learners can **apply** the new concepts learned through developing a collaborative case study analysis and group discussions.
- Learners can **detect** whether gaps between theory and practice in SME reporting still exist.

Suggestions

It is suggested to form groups before the lesson starts (from 3 to 5 members). Share the Monnalisa Integrated Report link or print it for each group before the class starts. It is recommended to check whether the links to the online materials are still working. The case study used for the assignment could be replaced with a local organisation.

Prerequisites

It is recommended to complete the previous units of this module before proceeding to this unit.

Remarks

Two files of slides are provided: the version for learners and the version for instructors (that includes teaching notes). The study of this unit can be reinforced by the study materials included in the [MOOC](#), with particular reference to the following section of week no. 5 titled 'Human capital reporting as a route to value creation: 5.4 Human capital reporting - a SME case. Furthermore, week no. 3 titled 'Integrated Reporting: a Case Approach' of the same MOOC can be helpful as an additional example.

References

[Monnalisa Group 2020 Integrated Report.](#)



3.9

Human Capital disclosure within Integrated Reporting – Sustainable Fashion4You Business Game

How does Human Capital disclosure fit within Integrated Reporting?

Keywords

Human Capital
KPIs
Integrated Report

Code: INTEGRESC309

Description

This unit showcases game-based learning. The developed board game offers an innovative teaching approach to make learners understand the role of Human Capital in value creation and sustainability disclosure. As part of the game, learners are challenged to design the Human Capital disclosure section of an Integrated Report. This interactive game allows learners to implement several concepts related to Integrated Reporting, e.g., materiality matrix, KPIs, GRI indicators, human capital material aspects, and integrated reporting principles. This game combines traditional and novel engaging activities to develop not only hard skills but also soft skills among the learners.

Type of material

- Slides: PowerPoint presentation
- Readings
- Business game

Duration

- 30 minutes of lecture to introduce the game and required tasks for step 1
- 120 minutes of learners' activity in the team - step 1
- 15 minutes of lecture to introduce required tasks for step 2
- 15 minutes of learners' activity in the team - step 2
- 25 minutes of lecture to discuss with learners about results of step 2 and introduce required tasks for step 3
- 20 minutes of learners' activity in the team - step 3
- 15 minutes of the final discussion

Learning objectives

- Learners can **implement** the theory on Integrated Reporting and Human Capital in a real case.
- Learners can **adapt** the concept of Human Capital to real cases.
- Learners can **implement** theory on performance measurement systems and Key Performance Indicators (KPIs).
- Learners can **implement** guidelines and tools for Integrated Reporting and experience their limitations.
- Learners can **practice** their soft skills, i.e. team-working and creative thinking.

Suggestions

It is recommended to complete this module's previous units before proceeding to this unit. Since preparing the game box is complex and time-consuming, the instructor should read '1 - Game Teaching Notes on 'Sustainable Fashion4You' Business Game' and '3 - Kit material to print with sufficient' well in advance. The box preparation also requires the purchase of specific stationery materials.

Furthermore, forming groups before the lesson starts (min 3, max 6 learners per team; ideal number 5 learners) is suggested. It is also recommended to check whether the online materials link is still working.

Prerequisites

Before the game, the instructor should:

- Read 1 - Game Teaching Notes on 'Sustainable Fashion4You' Business Game
- Read 2 - Case description
- Print 3 - Kit material to print

Before the game, learners should read the following:

- International <IR> Framework of IIRC, January 2021
- 'Corporate sustainability reporting in the apparel industry. An analysis of indicators disclosed', Anika Kozlowski, Cory Searcy and Michal Bardecki, International Journal of, Productivity and Performance Management, 2015, Vol. 64 No. 3, pp. 377-397, see highlighted sections
- 'Effective Disclosure in the Fast-Fashion Industry: from Sustainability Reporting to Action', Sofia Garcia-Torres, Marta Rey-Garcia and Laura Albareda-Vivo, Sustainability, 2017, Vol. 9, highlighted sections
- Armani Sustainability Report 2020, pp. 56-77, [Download area | Armani Values](#)

Remarks

The development of this unit can be reinforced by the study materials included in the [MOOC](#) with particular reference to the following section of week no. 5 titled 'Human capital reporting as a route to value creation': 5.4 Human capital reporting - a SME case. Furthermore, week no. 3 titled 'Integrated Reporting: a Case Approach' of the same MOOC can be helpful as an additional example.

References

- 'Corporate sustainability reporting in the apparel industry. An analysis of indicators disclosed', Anika Kozlowski, Cory Searcy and Michal Bardecki, International Journal of, Productivity and Performance Management, 2015, Vol. 64 No. 3, pp. 377-397
- 'Effective Disclosure in the Fast-Fashion Industry: from Sustainability Reporting to Action', Sofia Garcia-Torres, Marta Rey-Garcia and Laura Albareda-Vivo, Sustainability, 2017, Vol. 9
- Armani Sustainability Report 2020, pp. 56-77. [Download area | Armani Values](#)
- Juarez Domingos Frasson Vidotto, Helio Aisenberg Ferenhof, Paulo Mauricio Selig, Rogerio Cid Bastos. (2017). [A human capital measurement scale.](#)





4 Integrated Reporting a case approach

Introduction

In the module ‘Integrated Reporting a case approach’, you will learn how an SME created its Integrated Report. Following the case approach, the company of Gizeta Calze and its integrated reporting will be presented.

Gizeta Calze is a limited company founded in 1975 in Castel Goffredo, Mantua, Italy, where its headquarters is located. This enterprise is one of the most representative organisations in the Castel Goffredo Hosiery District, the second-largest producer of socks globally. Gizeta Calze produces knitted stockings; it has approximately 130 direct employees, 100 indirect employees, and 18 retail sales agents in Italy. Gizeta Calze focuses on speciality retail and franchise networks in Italian markets, while it works with international distribution chains in European countries, the United States, and other regions. The products are constantly innovated, with a focus on brand identity and the most recent fashion trends.

In 2021, this SME won the Oscar di Bilancio, a prize with the Italian Stock Exchange and Bocconi University given to the most virtuous companies in reporting, managing relationships with stakeholders, and financial communication.

This module focuses on the basic elements of the Integrated Reporting framework and how Gizeta Calze applied it in its Integrated Report.

Unit	Description
4.1.	Sustainability and Corporate Social responsibility (CSR)
4.2	The meaning of value creation
4.3	Integrated Reporting: an overview
4.4	Insights on Integrated Reporting
4.5	Insights on the International Integrated Reporting Council
4.6	The case of Gizeta Calze srl

4.1 Sustainability and Corporate Social responsibility

Why is reporting on sustainability important for SMEs?

Keywords

CSR
Triple Bottom Line
Extra-financial reporting

Code: INTEGRESC401

Description

This unit describes the concept of corporate social responsibility, sustainability, and the evolution of sustainability reporting. It also goes into the consequences of sustainability reporting and elaborates on how contested terrains should be resolved. An overview of the mandatory disclosure of Environmental, Social and Governance information is given.

Type of material

- Module 4 Manual Course
- Slides: PowerPoint presentation
- Assignments: individual
- Readings
- Videos

Duration

- 150 minutes of lecture
- 60 minutes assignments

Learning objectives

- Learners **know** about sustainability and sustainable development.
- Learners can **explain** the concept of Corporate Social Responsibility (CSR).
- Learners are **familiar** with the CSR Dimensions.
- Learners **know** the Stakeholders' theory.
- Learners are **familiar** with the concept of Creating shared value.
- Learners can **explain** the concept Triple Bottom line.
- Learners **have an overview** of the EU's mandatory Environmental, Social and Governance disclosure for non-financial information.

Suggestions

For the Global Reporting Initiative lecture, learners should watch the video on GRI as preparation.

Prerequisites

Learners should have a basic knowledge of accounting and reporting principles and standards.

References

- Global Reporting Initiative. Sustainability Accounting Standards Board. [A Practical Guide to Sustainability Reporting Using GRI and SASB Standards](#) (2021).
- CFA Institute. [Climate Change Analysis in the Investment Process](#) (2020).
- Colovic, A; Henneron, S. [Corporate Social Responsibility and SME Internationalization: Insights from the Food Industry](#) (2019).
- CFA Institute. [Future of Sustainability in Investment Management: from ideas to reality.](#)



4.2 The meaning of value creation

What is the meaning of value creation for an SME?

Keywords

Value creation

Code: INTEGRESC402

Description

This unit deals with the concept of value creation and how integrated reporting creates benefits for SMEs.

Type of material

- Slides: PowerPoint presentation
- Assignments: individual
- Readings
- Videos

Duration

- 10 minutes of lecture
- 10 minutes assignments

Learning objectives

- Learners can **identify** the meaning of value creation.
- Learners can **identify** insights about creating value for SMEs.

Suggestions

In addition to the lecture, learners can watch the suggested videos on value creation.

References

International Federation of Accountants. [Creating Value for SMEs through Integrated Thinking](#) (2017).



4.3 Integrated Reporting: an overview

Who are the main players that need to be involved by an SME for integrated reporting?

Keywords

Stakeholders
Shareholders
Integrated thinking

Code: INTEGRESC403

Description

In this unit, the concept of integrated thinking is explained.

Type of material

- Slides: PowerPoint presentation
- Assignments: individual
- Readings
- Videos

Duration

- 10 minutes of lecture
- 60 minutes of assignments

Learning objectives

- Learners can **define** the main players of an Integrated Report.
- Learners can **analyse and understand** integrated reporting.
- Learners can **analyse and understand** the importance of Integrated thinking.

Suggestions

In addition to the lecture, learners can watch the suggested videos on integrated reporting.



4.4 Insights on Integrated Reporting

What are the key elements of Integrated Reporting for an SME?

Keywords

Integrated Report
Six Capitals
SMEs

Code: INTEGRESC404

Description

In this module, the concept of six capitals is explained. Also, the definition of an SME and the relevance of Integrated Reporting for SMEs are explained. The module further elaborates on what integrated reporting entails and how it is prepared and presented (for SMEs).

Type of material

- Slides: PowerPoint presentation
- Assignments: individual
- Readings
- Videos

Duration

- 95 minutes of lecture
- 60 minutes of assignment

Learning objectives

- Learners **understand** what Integrated reporting is.
- Learners **understand** the definitions of the Six Capitals of the IR Framework.
- Learners know the importance of SMEs in Europe and how to **define and identify** an SME.

Suggestions

The slide sets 'IR Contents and Principles' and 'The Capitals' can be combined to create a more elaborate lecture on the Six Capitals Model.

Prerequisites

It is recommended that learners take module three, 'Integrated Reporting and Human Capital for SMEs,' before starting this module.

References

- NIBR. [Integrated Reporting for SMEs Implementation Guidance](#) (2018).
- European Commission. [User guide to the SME definition](#) (2016).
- Knopf, Jutta; Barbara Mayer-Scholl. [Tips and Tricks for Advisors - Corporate Social Responsibility in Small and Medium-Sized Enterprises](#) (2013).



4.5 Insights on the International Integrated Reporting Council

How did the International Integrated Reporting Council and the IR framework evolve?

Keywords

IIRC

IR Framework

Code: INTEGRESC405

Description

The purpose, mission, vision and objective of the International Integrated Reporting Council are explained. The Integrated Reporting framework is introduced, as well as an IR database with examples of several companies which have published integrated reports.

Type of material

- Slides: PowerPoint presentation
- Assignments: individual
- Readings

Duration

- 15 minutes of lecture
- 20 minutes assignment

Learning objectives

- Learners **know** the International Integrated Reporting Council.
- Learners can **analyse and evaluate** an integrated report using the IR database, which can provide a sample of interesting companies and cases which apply the IR Framework.

Suggestions

This unit could also be used as an introduction before the concepts of integrated reporting and thinking are elaborated.

Prerequisites

Learners should know the basis of financial standards and the related institutes.

References

[International Integrated Reporting Council. International <IR> Framework \(2021\).](#)



4.6 The case of Gizeta Calze srl

A real-life example - How far has Gizeta Calze already succeeded in making a transparent, integrated report?

Keywords

Integrated Reporting
SMEs

Code: INTEGRESC406

Description

The real-life case of Gizeta Calze and their journey towards building an integrated report is a topic in this course. It describes not only what methodologies were used but also, more importantly, how the management team of Gizeta Calze was the driving force behind this achievement.

Type of material

- Slides: PowerPoint presentation
- Assignments: individual
- Readings
- Videos
- Workshops
- Case studies

Duration

- 60 minutes of lecture
- 240 minutes of assignments
- 180 minutes of workshops

Learning objectives

- Learners can **read and understand** real company reports.
- Learners can **analyse and evaluate** an Integrated Report in practice, an example of SME.
- Learners can **apply** the new concepts learned through the development of a challenge.

Suggestions

The assignment can be done in groups. The assignment can be further specified by having learners focus on a targeted area, such as applying the standards of the Global Reporting Initiative or improving on a specific capital. The results of the assignment can be in the form of a report, (A3) presentation or vlog. The slide set IR Gilzeta Calze can be adjusted (shortened) to adjust to the given assignment (e.g. not present part of the answers).

Prerequisites

The previous modules should be taken before this module.

Remarks

This unit represents a module within the [MOOC](#) which contains additional study material.

References

[Gizeta Calze Integrated Report](#). (2020).





5 Key Performance Indicators in Integrated Reporting

Introduction

The module Key Performance Indicators in Integrated Reporting seeks to equip learners with an in-depth understanding of the KPIs in integrated reporting. It familiarises learners with a broad range of specific KPIs that can be used to measure an organisation’s performance on the six capitals as well as a typology of KPIs. It introduces the core principles of integrated reporting and demonstrates how they apply to the selection and reporting of KPIs. It highlights tools that can be used to increase the usefulness of KPIs by making them reliable, comparable, insightful and contextualised.

Measurement is a key element of all reporting. Compared to traditional financial reporting, the scope of measurement is much broader in integrated reporting as it can contain information related to the six capitals (financial, manufactured, intellectual, human, social & relationship and natural). Measurement of an organisation’s impact on the six capitals enables management and external stakeholders to evaluate a company’s activities and performance in a more integrated and insightful way. It helps offer insight into their sustainability level and contribution to achieving sustainable development goals. Developing relevant Key Performance Indicators (KPIs) facilitates consistent and comparable measurement.

This module logically follows modules 1, 2, 3 and 4. However, this module can also be studied on a stand-alone basis. Week 4 of the [MOOC](#) offers additional study material.

Unit	Description
5.1	Introduction to Integrated Reporting
5.2	Capitals and Key Performance Indicators (KPIs)
5.3	KPI Consistency and Comparability
5.4	Strategy, Business Models and KPIs
5.5	Connectivity and KPIs
5.6	KPIs for SMEs

5.1 Introduction to Integrated Reporting

What is Integrated Reporting?

Keywords:

Materiality
Non-Financial Reporting
Integrated Reporting
Principles

Code: INTEGRESC501

Description

This unit describes the evolution of non-financial reporting and introduces the core principles of integrated reporting. Through an exploration of the evolution of the various types of reporting, this unit links the drivers of the process with the various categories of materiality, including impact, financial, and double materiality. The unit then defines an integrated report, its purpose, and its aims. Focus is then placed on the fundamental concepts of integrated reporting, or it's what (Value creation), with (Capitals) and how (Value creation process). The importance of integrated thinking, the founding principle of integrated reporting, is then outlined. Finally, the content elements and guiding principles of integrated reporting are introduced.

Type of material

- Module 5 Manual Course
- Slides: PowerPoint presentation
- Readings

Duration

90 minutes of lecture

Learning objectives

- Learners **connect** the drivers of non-financial reporting to the different types of materiality.
- Learners **examine** the foundational principle and fundamental concepts of integrated reporting.
- Learners **describe** what to include in an integrated report and the principles that underpin its preparation and presentation.

Prerequisites

Basic knowledge of accounting and finance is recommended.

Suggestions

The different types of materiality are important concepts to be grasped in this unit. After each type is explained, learners can be asked for examples of each type (individually or in groups).

This unit introduces a lot of content that will be explored in more depth and linked to KPIs throughout the course. It creates/reviews the foundational knowledge of integrated reporting that learners will build on in subsequent units. Hence, the level of detail provided when introducing the six capitals, content area, and principles can be basic.

References

- Roger L. Martin. [How successful leaders think](#). Harvard Business Review (2007).
- [International Integrated Reporting Council. International <IR> Framework](#) (2021).



5.2 Capitals and Key Performance Indicators

What should be measured?

Keywords:

KPIs
Capital Transformation
Six Capitals

Code: INTEGRESC502

Description

This unit introduces Key Performance Indicators (KPIs) and highlights their importance in measuring and managing a company's performance. The unit starts with an inquiry into the six capitals, what they are and how they are transformed through a company's business practices. Then, it explores the importance of measurement alongside the key characteristics that make KPIs useful for integrated thinking and reporting. The six capitals and KPIs are then integrated into a discussion of what can be measured. Finally, it links the key characteristics of quality KPIs to the guiding principles of Integrated reporting, which are explored in greater detail throughout the subsequent units of the course.

Type of material

- Slides: PowerPoint presentation, including assignments.
- Assignments: collaborative

Duration

- 90 minutes of lecture
- 30 minutes of assignments

Learning objectives

- Learners **recognise** the importance of key performance indicators (KPIs).
- Learners **critique** the usefulness of KPIs based on their characteristics.
- Learners **identify and apprise** the various KPIs used to measure the six capitals.
- Learners **relate** KPIs to the guiding principles of integrated reporting.

Suggestions

- It is important for learners to understand what the capital is, its dynamic nature, and how they are constantly changing or being transformed. E.g. spending on training was measured as a cost, but the resultant benefits were not. Before the table at the bottom of the slide titled 'Capital Transformation', draw the table on the board and have learners brainstorm how financial capital can be transformed into another form of capital. This could be repeated with other forms of capital.

- At the Brainstorming KPIs slide, learners are asked to brainstorm KPIs for the six capitals. This is a difficult activity at this stage of the module, so it could be completed in groups or instructor-led. Each group could be asked to complete the exercise for one type of capital. This exercise aims to gauge the learner's knowledge of KPIs and understanding of the different stages at which measurement will take place. The same exercise can be repeated in unit six to demonstrate learner knowledge acquisition.

Prerequisites

- Previous units in this course are recommended.
- Basic knowledge of accounting and finance is recommended.

References

International Integrated Reporting Council. [International <IR> Framework](#) (2021).



5.3 KPI Consistency and Comparability

How can KPIs be made consistent and comparable?

Keywords:

GRI

Human capital

Natural capital

Code: INTEGRESC503

Description

This unit focuses on tools to enhance the consistency and comparability of key performance indicators. The need for consistent and comparable information is a guiding principle in integrated reporting, which also applies to an organisation's KPIs. After explaining the principle of consistency and comparability, the unit examines the various tools that can be used to enhance it. One of the best tools is using standardised definitions stipulated by an independent organisation. Hence, the rest of this unit focuses on the most popular reporting standard, the Global Reporting Initiative (GRI). It investigates the KPIs proposed by the GRI to measure Natural and Human Capital. This allows for the discovery of a typology of KPIs.

Type of material

- Slides: PowerPoint presentation, including assignments.
- Assignments: collaborative

Duration

- 90 minutes of lecture
- 30 minutes of assignments

Learning objectives

- Learners **recognise** the importance of providing consistent and comparable KPIs.
- Learners **evaluate** the tools that enhance the consistency and comparability of KPIs.
- Learners **identify** KPIs used to measure an organisation's Natural and Human Capital.
- Learners **develop** an overarching typology of KPIs.

Suggestions

- Suggested activity: Learners can be asked to propose tools before explaining the tools to enhance consistency and comparability. Possible prompts to elicit a response include: How do you compare the height of two people? (Measure in metres: Benchmarking), How do you compare the price of something in two different currencies? (Convert to common currency: standardisation) How do you compare how hard two groups worked creating widgets if the groups are of different sizes? (Widgets per person: Ratio)
- Suggested follow-on activity: After the activity, ask learners to list upstream and downstream activities and discuss why this is important to measure and whether this differs by industry. E.g. Clothing industry - Rana Plaza & sweatshops (upstream activities), the tobacco industry - cancer (downstream impact).

- The slide titled 'A typology of KPIs' is of particular importance as it allows for categorising KPIs that can be applied to many sustainability-related issues. These categories can be placed on the whiteboard, and learners can be asked to categorise subsequent KPIs in the lecture to highlight their general applicability.

Prerequisites

- Previous units in this course are recommended.
- Basic knowledge of accounting and finance is recommended.

References

- [Global Reporting Initiative. GRI standards](#) (2021). Retrieved from GRI - Download the Standards (globalreporting.org)
- [Global Reporting Initiative. Consolidated Set of the GRI Standards](#) (2022).



5.4 Strategy, Business Models and KPIs

What are strategic-focused and future-orientated KPIs?

Keywords:

Value Drivers
Intellectual capital
Transition and physical
risks

Code: INTEGRESC504

Description

This unit combines a discussion of the first guiding principles of integrated reporting, strategic focus and future orientation with an exploration of KPIs to measure Intellectual, Human and Natural capital. Having reviewed the concept of double materiality, this unit provides the values adjustment framework to conceptualise the connection between sustainability and financial performance. It then uses the example of a highly innovative organisation in which Intellectual and Human capital are material factors to show financial connectivity in action. Future-orientated metrics that help quantify an organisation's risk exposure are then introduced, with climate-related risks as an example. Finally, it highlights how these risks can be linked to financial performance and quantified using scenario analysis.

Type of material

- Slides: PowerPoint presentation, including assignments.
- Assignments: collaborative

Duration

- 120 minutes of lecture
- 30 minutes of assignments

Learning objectives

- Learners can **link** sustainability-related performance to financial performance.
- Learners can **identify** KPIs used to measure Intellectual and Human Capital.
- Learners **understand** the reporting requirements related to risks and opportunities.
- Learners **can describe** scenario analysis, a future-orientated metric.

Suggestions

- Impress learners that value drivers are the end result in a causal chain of events. Ask learners: if consumers become more sustainability conscious, how would this impact the demand for a company's products? Sustainable company > Higher demand > Higher Sales Growth. Ask Learners, if the price of emitting carbon increases, how would this impact a company? Carbon-intensive firm > Increased costs > lower profit margins.
- The Reporting on GHG Emissions slide offers a chance to review the typology of KPIs.

- Linking activity: The three value drivers can be placed on the board at the Reporting on GHG Emissions slide, and learners can be asked which value driver will be impacted by each item. Eg. Demand for products -> Sales growth or profit margins

Prerequisites

- Previous units in this course are recommended.
- Basic knowledge of accounting and finance is recommended.

References

- TCFD. [Task Force on Climate-related Financial Disclosures. Guidance on Scenario Analysis for Non-Financial Companies](#) (2020).
- Schramade, W. (2016). [Bridging sustainability and finance: The value driver adjustment approach](#). Journal of Applied Corporate Finance, 28(2), 17-28.
- Gas Networks Ireland. Sustainability in action (2020). Global Reporting Initiative. [Consolidated Set of the GRI Standards](#) (2022).



5.5 Connectivity and KPIs

How are KPIs used to show a holistic picture of an organisation?

Keywords

CSRD

Connectivity Matrix

SDGs

Code: INTEGRESC505

Description

This unit combines a discussion of two guiding principles of integrated reporting, connectivity and stakeholder relationships with an exploration of KPIs to measure Social and Relationship Capital. It begins with discussion of the second guiding principle of integrated reporting, connectivity. It outlines several questions that must be answered to provide a complete picture of an organisation. It offers a framework that connects the content elements and provides a holistic view of an organisation. This unit then examines the connectivity and contextualisation of KPIs called for in the draft European sustainability reporting standards created by the European Financial Reporting Advisory Group in 2022. These standards will form the basis for reporting under the Corporate Sustainability Reporting Directive and apply to all large European organisations. Finally, a connection is established between KPIs and the Sustainable Development Goals.

Type of material

- Slides: PowerPoint presentation, including assignments.
- Assignments: collaborative

Duration

- 90 minutes of lecture
- 30 minutes of assignments

Learning objectives

- Learners can **appraise** an organisation's value creation process from beginning to end.
- Learners can **identify** the KPIs used to measure Social and Relationship Capital.
- Learners can **critique** the importance of contextualising KPIs with qualitative information.
- Learners can **describe** information requirements needed to contextualise KPIs in the CSRD.
- Learners can **connect** KPIs to the Sustainable Development Goals.

Suggestions

- This unit offers an opportunity to reinforce and connect the topics already covered in the course. This can be highlighted or elicited from learners when presenting the Guiding Principle 2: Connectivity slide. The content elements (Strategy, Business models, risks & opportunities: unit 4), the capitals (Six capitals, capital transformation: unit 2), financial and other information (value drivers: Unit 4).

- The mapping of material issues for a social media company is an optional exercise.
- Group Assignment 1-3 reporting activity: this assignment allows learners to share their research with the rest of the class.

Prerequisites

- Previous units in this course are recommended.
- Basic knowledge of accounting and finance is recommended.

References

- Global Reporting Initiative. [Linking the SDGs and the GRI Standards](#) (2022).
- Global Reporting Initiative. GRI and the European Sustainability Reporting Standards (ESRS) (2022).
- PWC. [Implementing Integrated Reporting](#) (2015).



5.6 KPIs for SMEs

Which KPIs should an SME report?

Keywords:

SMEs

Costs & Benefits

Data Sources

Code: INTEGRESC506

Description

This unit examines KPIs for integrated reporting from an SME perspective. It highlights how all the concepts and KPIs learned so far can be applied to SMEs.

However, SMEs have limited resources, so they will measure less. It describes the costs and benefits of integrated reporting for SMEs before discussing how the principles of integrated reporting apply to them.

It then highlights a number of readily available data sources that can be used in the reporting process.

Following this, it looks at several KPIs that can be measured to start the integrated reporting process. It then reviews the important characteristics and types of applicable KPIs before highlighting how KPIs can be used to understand a business, its customers and risks better. Finally, it revisits the characteristics of good quantitative indicators outlined by the integrated reporting framework.

Type of material

- Slides: PowerPoint presentation
- Assignments: Individual and collaborative

Duration

90 minutes of lecture

Learning objectives

- Learners can **contrast** the usage of KPIs for integrated reporting in organisation's of different sizes.
- Learners can **describe** various data sources that SMEs can use to measure KPIs.
- Learners can **demonstrate** the application of integrated reporting principles in choosing and reporting KPIs in SMEs.

Suggestions

- This unit allows learners to reinforce the previous units' learnings and discuss how they apply to smaller companies. As some material has already been taught to the learners, the unit can be approached using a questioning approach. For example, on the slide titled 'KPIs', learners can be asked what are the characteristics of good KPIs for SMEs.
- Activity: The slide titled '25 possible sustainability indicators for SMEs' could be used as an activity. Having given the learners the four headings, ask them to think of 25 possible measures that SMEs could use, considering the available data sources.

- Closing Group Activity: Repeat the Brainstorming KPIs activity from the 2nd unit, allowing learners to observe their knowledge acquisition from the course.
- The learners could apply the KORE Insulation case study assignment for local organisations.

Prerequisites

- Previous units in this course are recommended.
- Basic knowledge of accounting and finance is recommended.

References

- GRI and International Organisation of Employers. [Small business Big impact](#). (2020).
- [International Federation of Accountants. Creating Value for SMEs through Integrated Thinking](#) (2017).
- NIBR. [Integrated Reporting for SMEs Implementation Guidance](#) (2018).



INTEGRES MOOC

Massive Open Online Courses

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We developed the MOOC, 'Reporting Value Creation and Sustainability for SME,' to make our knowledge and expertise available to a broad audience. We can reach learners from various backgrounds and locations by providing this MOOC. This inclusivity aligns with our vision to ensure that everyone who wants to learn can benefit from our project.

BOOK (UniBO Open Knowledge) is an initiative of the University of Bologna designed to develop and deliver Massive Open Online Courses.

INTEGRES

The 'Reporting Value Creation and Sustainability for SME' MOOC is realised by five European Universities grouped in the INTEGRES Erasmus+ Project to encourage Small and Medium-Sized Enterprises (SMEs) to consider sustainability as a means of value creation. SMEs encounter several obstacles in today's dynamic economic environment. Understanding and effectively communicating value creation and sustainability have emerged as essential components for SMEs seeking long-term success. SMEs can improve transparency, accountability, competitive advantage, risk management, access to capital, regulatory compliance, innovation, and efficiency by implementing sustainable practices and effectively communicating their efforts in that direction.

This course presents several aspects of value creation and sustainability reporting from a SMEs perspective. It is designed to help students, consultants, managers, and entrepreneurs understand the value of reporting non-financial information related to social and environmental aspects.

This MOOC is structured in 5 weeks, and each week presents crucial elements that provide an in-depth understanding of the subject. Each week has modules and units consisting of readings, videos and interviews, case studies, and quizzes.

Week 1, 'SUSTAINABILITY AND SUSTAINABLE DEVELOPMENT GOALS', provides preliminary information, principles, and normative foundations that allow learners to be comfortable with the topic of sustainability and the SDG framework. Furthermore, learners have the chance to understand how SMEs may contribute to sustainable development.

Week 2, 'INTEGRATED REPORTING AND VALUE CREATION', contains technical information on how SMEs can report their contribution to sustainable development using the integrated reporting approach. The focus is on the materiality concept and the other principles and rules that help preparers draft an integrated report. Also, guidance on the assurance of non-financial information is provided.

Week 3, 'INTEGRATED REPORTING: A CASE APPROACH', links theory and research with real-life by describing the case of an Italian company that discloses its Environmental, Social and Governance

aspects according to the International Integrated Reporting Council guidelines. Two managers highlight the reasons for non-financial reporting and how companies prepare their integrated reports.

Week 4 'KPIs IN INTEGRATED REPORTING'; this module is business oriented. It describes how companies may assess and adjust key performance indicators related to Environmental, Social and Governance aspects and clarify the main challenges faced when reporting and communicating such Key Performance Indicators.

Finally, **week 5** is dedicated to one of the six key capitals that build Integrated Reporting and contribute to value creation. This module is entitled '**HUMAN CAPITAL REPORTING**'. It explores the importance of investing in human capital as a key driver for a company's financial well-being, growth, innovativeness, and long-term sustainability.

The course is realised by Bologna University, Avans University of Applied Science, HOGENT University of Applied Sciences and Arts, Université Catholique de Lille and Technological University Dublin, within the Erasmus+ Program titled 'INTEGRES - Integrated Reporting and Education for Sustainability', funded by the European Union.

Glossary

Accountability

The fact of being responsible for what you do and being able to give a satisfactory reason for it or the degree to which this happens.

Assurance

Assurance refers to the methods and processes employed by an assurer to assess an organisation's disclosures about its performance and underlying information, processes, and systems, using suitable criteria and standards to increase credibility. Assurance includes communicating the results of the assurance process in an Assurance Statement.

Auditor

An auditor is a professional authorised to review an organisation's financial and non-financial records to ensure they are accurate and comply with accounting standards and regulations.

Benchmarking

Benchmarking is a process of measuring performance against those of other organisations.

Benefit Corporation

A benefit corporation is a company - with whatever legal form (e.g., limited or unlimited liability; partnership) - that aims to make a profit while simultaneously addressing social, economic, and environmental needs. The objective of pursuing profits while contributing to common goals is approved in its corporate bylaws. Only some countries worldwide have specific laws and norms that regulate benefit corporations.

Blueprint

A blueprint is a detailed design of a course. It outlines the ideas or concepts for one or more training sessions or workshops.

Business Model

A business model represents how a company creates and delivers value. A successful business model has three components: a customer value proposition, a profit formula, and key resources and processes.

Corporate Social Responsibility (CSR)

Companies integrate social and environmental concerns into their business operations and their interaction with their stakeholders voluntarily.

Corporate Sustainability Due Diligence Directive (CSDDD)

European rules to foster sustainable and responsible corporate behaviour and to anchor human rights and environmental considerations in companies' operations and corporate governance. Rules to ensure that businesses address the adverse impacts of their actions, including in their value chains inside and outside Europe.

Corporate Sustainability Reporting Directive (CSRD)

EU rules (2023) concerning the social and environmental information companies must report. These rules will ensure that investors and other stakeholders can access the information they need to assess investment risks arising from climate change and other sustainability issues.

Double materiality

The CSRD incorporates the concept of 'double materiality'. This means that companies have to report not only on how sustainability issues might create financial risks for the company (financial materiality) but also on the company's impacts on people and the

environment (impact materiality). This concept is also called the inside-out or outside-in approach.

Double materiality combines financial and impact materiality. A sustainability matter meets the criteria of double materiality if it is material from either the impact perspective or the financial perspective, or both.

Environmental, Social and Governance (ESG)

The concept of ESG ties corporate social performance and corporate financial performance together to emphasise the materiality of and the need to incorporate issues related to corporate social responsibility (CSR), environmental impact, and corporate governance in investment decisions.

European Financial Reporting Advisory Group (EFRAG)

EFRAG is a private association established in 2001. They aim to serve the European public interest in financial and sustainability reporting by developing and promoting European views in corporate reporting and developing draft EU Sustainability Reporting Standards (<https://www.efrag.org/lab6>).

European Green Deal

A set of proposals adopted by the European Commission to make the EU's climate, energy, transport and taxation policies fit for reducing net greenhouse gas emissions by at least 55% by 2030, compared to 1990 levels (<https://commission.europa.eu>).

European Sustainability Reporting Standards (ESRS)

European Sustainability Reporting standards, developed by the EFRAG, outline requirements for detailed corporate reporting on a broad range of environmental, social, and governance (ESG) issues (<https://www.efrag.org/lab6>).

EU Taxonomy on Sustainability

A classification system that establishes a list of environmentally sustainable economic activities. It would provide companies, investors and policymakers with appropriate definitions for which economic activities can be considered environmentally sustainable.

Financial Capital

Financial capital is an organisation's pool of funds to produce goods or provide services.

Financial Materiality

Issues that impact financial performance and the organisation's ability to create economic value for investors and shareholders. Or the equity, debts, and grants available to an SME to provide goods or services.

Global Reporting Initiative (GRI)

An independent, international organisation that helps businesses and other organisations take responsibility for their impacts by providing them with a global common language to communicate those impacts (<https://www.globalreporting.org/>).

Greenhouse Gas (GHG) Protocol

GHG Protocol establishes comprehensive global standardised frameworks to measure and manage greenhouse gas (GHG) emissions from private and public sector operations, value chains and mitigation actions (<https://ghgprotocol.org/>).

Greenwashing

The term greenwashing derives from the words 'green' and 'white wash,' which takes on the sense of 'whitewashing' but also 'masking' or 'covering up badly.' We are in a situation that leads to greenwashing whenever a company justifies its actions with environmental reasons and social responsibilities that are not true or highly overrated.

Human Capital

The skills, experience, and motivation that employees and management (in an SME) possess.

Impact Materiality

External impacts a company's activities have, including impacts on communities and the environment (air, emissions, water discharge etc.).

Impact

The consequences, influence or effect of an event on something or someone.

Integrated Report (IR)

An Integrated Report is a single report that presents financial and non-financial information in a manner that emphasises the whole picture and the interdependence of its parts.

Integrated thinking

The active consideration by an organisation of the relationships between its various operating and functional units and the capital that the organisation uses or affects. Integrated thinking leads to integrated decision-making and actions that consider value creation, preservation and erosion over the short, medium, and long term.

Intellectual Capital

Intellectual capital results from employees' efforts that generate intangible assets, such as knowledge, intellectual property, systems, and processes.

International Financial Reporting Standards Foundation (IFRS)

The IFRS Foundation is a public interest organisation that oversees global reporting standards that result in corporate information that informs investment decisions (<https://www.ifrs.org/>).

International Integrated Reporting Council (IIRC)

The IIRC is a global coalition of regulators, investors, companies, standard setters, the accounting profession, academia and NGOs. The IIRC aims to provide a framework for efficient and productive capital allocations to create value from financial and sustainable means (<https://www.integratedreporting.org/>).

ISO

The International Standards Organisation (ISO) develops a set of international standards (www.iso.org).

Key Performance Indicators (KPI)

KPI stands for Key Performance Indicator. It is a measurable value that helps organisations or individuals evaluate their progress

towards achieving specific objectives or goals. KPIs are used to monitor performance, identify areas for improvement, and make informed decisions based on data.

Manufactured Capital

Manufactured physical capital is manufactured physical objects available to an organisation to produce goods or provide services. It contains tangible goods and infrastructure that an SME owns, leases, or has access to that are used to provide goods or services.

Material topic

Material topics represent an organisation's most significant impacts on the economy, environment, and people, including their human rights.

Materiality matrix

A matrix that matches the relevant topics with, on the one hand, the significant issues for the company and, on the other hand, the significant topics for the company's stakeholders.

Materiality

Materiality is an accounting principle stating that all items reasonably likely to impact investors' decision-making must be recorded or reported in detail in a business's financial statements.

Natural Capital

Natural capital is renewable and non-renewable natural and environmental resources such as air, water, land, and forests that provide goods or services supporting an organisation's past, current or future propensity.

Non-financial reporting

Non-financial reporting is defined as disclosing information that is not based on the usual financial figures but gives your stakeholders an understanding of the essential areas of value creation in your business that goes way beyond your financial statements.

Paris Agreement

A legally binding international treaty on climate change. It was adopted by 196 Parties at the UN Climate Change Conference (COP21) in Paris, France, on 12 December 2015. Its overarching goal is to hold 'the increase in the global average temperature to well below 2°C above pre-industrial levels' and pursue efforts 'to limit the temperature increase to 1.5°C above pre-industrial levels.'

Performance

The result or outcome of an action that can manifest as either good or bad performance.

Physical risks

The potential risks for physical damage and financial losses because of, for example, increased exposure to climate hazards.

Planetary Boundaries

A concept that presents a set of nine planetary boundaries within which humanity can continue to develop and thrive for generations to come (<https://www.stockholmresilience.org/research/planetary-boundaries/the-nine-planetary-boundaries.html>).

SDG Reporting

SDG reporting refers to disclosing information about an organisation's SDG performance.

Shareholder

A person or organisation that owns shares in a company.

Six Capitals model

The Six Capitals are financial, manufactured, intellectual, human, social and relationship, and natural. By taking these into account when reporting on performance, a company provides a fuller picture of how it creates value.

Small and Medium Enterprises (SMEs)

Small and Medium Enterprises are enterprises with a staff account of fewer than 250 employees, turnover of less than € 40 million or a balance sheet total of € 20 million (CSRD directive).

Social & Relationship Capital

Social and relationship capital derives from the relationship between a company and the society from which it secures its license to operate. It contains SME's brands and reputation, including its relationships with the community in which it operates, its customers, business partners and others in its value chain, such as various government agencies.

Social Report

A social report aims to report on social indicators that complement existing economic and environmental indicators.

Stakeholder dialogue

In a stakeholder dialogue, (future) interests and expectations are discussed with stakeholders, and standards are developed concerning business practice. A proper dialogue enhances a company's sensitivity to its environment and increases the environment's understanding of the organisation's dilemmas.

Stakeholder

Those groups or individuals that can reasonably be expected to be significantly affected by an organisation's business activities, outputs and outcomes or whose actions can reasonably be expected to significantly affect the ability of the organisation to create value over time. Stakeholders may include providers of financial capital, employees, customers, suppliers, business partners, NGOs and policymakers.

Strategy

Strategy is a plan of action- designed to achieve a long-term overall aim. Many companies use the SDGs as a compass for their sustainability strategy.

Sustainability Accounting Board Standards (SASB)

The Sustainability Accounting Board created the SASB Standards. It guides companies' financial material sustainability information disclosure to their investors (www.sasb.org).

Sustainable Business Model

A sustainable business model describes, analyses, manages, and communicates a company's sustainable value proposition to all its stakeholders; how it creates and delivers this value; and how it captures economic value while maintaining or regenerating natural, social, and economic capital beyond its organisational boundaries.

Sustainable Development Goals (SDG)

The 17 Sustainable Development Goals, also known as the Global Goals, were adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity.

Sustainability reporting

Through Sustainability reporting, organisations communicate their performances and impact on various sustainability topics, spanning environmental, social and governance parameters.

Task Force on Climate-related Financial Disclosures (TCFD)

The Financial Stability Board (FSB) created the Task Force on Climate-related Financial Disclosures to improve and increase reporting of climate-related financial information to enable better capital allocation (<https://www.fsb-tcfd.org/>).

The Sustainable Finance Disclosure Regulation (SFDR)

The Sustainable Finance Disclosure Regulation is a European regulation introduced to improve transparency in the market for sustainable investment products, prevent greenwashing, and increase transparency around sustainability claims made by financial market participants.

Transition risks

Transition risks can occur when moving towards a less polluting, greener economy. Such transitions could mean that some sectors of the economy face big shifts in asset values or higher business costs.

Transition

A change or shift from one state or mode of operation to another.

Triple bottom line

The triple bottom line (TBL) approach is the belief that companies should focus on social and environmental concerns as much as they do on profit.

Value Creation

The process of creating outputs that are more valuable than the inputs used to create them. The value created is based on a combination of the capitals' increases, decreases or transformations.

Value drivers

Value drivers are activities or capabilities that add profitability, reduce risk, and promote growth through strategic goals.

About the authors

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HOGENT University of Applied Sciences and Arts



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Université Catholique de Lille



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Technological University Dublin



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About the universities



Avans University of Applied Sciences

Avans University of Applied Sciences comprises 21

schools with around 33,000 students studying over 50 courses. Avans offers programmes in Economics and Business, Engineering, Society and Behaviour, Health Care, Science and Technology, Arts and Culture, Law and Governance, Education, Earth and Environment and Language and Communications. At Avans, practice-based research is carried out at our 6 Centres of Expertise, where the applied research is done in over 25 research groups. Avans aims to support future graduates to become highly qualified professionals who continuously develop themselves and their profession and are aware of their social responsibility from an international perspective. It also wants to contribute towards shaping and realising the region's social, cultural and economic advancement.

The Centre of Expertise Wellbeing Economy and New Entrepreneurship (CoE BWNO) strives for a transition towards a more sustainable, social and fair economy. At CoE BWNO, 6 professors, around 50 researchers, and 10 supporting staff work on practice-oriented research. This research starts with a question from the companies and other organisations that links to its knowledge programme. CoE BWNO distinguishes two lines of research within that programme: research into broad prosperity and the different aspects related to future-proof and responsible entrepreneurship.

The research of the Chair of Sustainable Finance and Accounting contributes to knowledge and ways to make invisible values visible so that organisations contribute to a sustainable transition through multiple value creation. Spearheads of its research are new ways of accounting for future-proof organisations and governments, sustainable finance and investment and integrated business operations. SFA's research group comprises a professor, 2 full-time researchers, 7 part-time researchers and a management/research assistant.

A change in accounting, finance and funding is paramount for a prosperous and healthy life for the current and future generations. The growth of the world population, the finite nature of raw materials, decreasing biodiversity and growing inequality between population groups force humanity to do things differently. Therefore, governments, private investors and financial institutions must invest in a new economic system where efficiency, renewability, reuse, social innovation, equality and fair distribution are the key concepts.



HOGENT University of Applied Sciences and Arts

HOGENT University
of Applied Sciences

and Arts consists of eight Schools. These Schools are responsible for 53 study programmes based on eight campuses in Ghent, Aalst and Melle. HOGENT counts 15,000 students and 1,800 staff members, including over 200 national and international research project researchers. HOGENT aims for excellence in education, research, services to society and artistic practice. Through the competence of its staff and graduates and the valorisation of

its research. HOGENT seeks to advance a critical, creative and open society. HOGENT trains future-proof students. Central to all its study programmes are future-proof skills such as critical and ethical thinking, flexibility and creativity, an investigative and entrepreneurial attitude, social and communicative skills, and problem-solving ability. At HOGENT, teaching and research are intimately linked.

Research at HOGENT is clustered in 12 Research Centres. HOGENT aims to conduct research closely connected to its teaching, addresses contemporary societal challenges, favours interdisciplinary collaboration and strives for maximal impact. HOGENT encourages interdisciplinary approaches in all research areas to enable researchers to tackle the increasing complexity of societal challenges. By placing a high value on impact and sustainability, HOGENT aims to ensure that newly developed knowledge and practical applications contribute to a critical, creative, open society. To this end, for its applied research, HOGENT commits itself to the United Nations' Sustainable Development Goals. By incorporating this framework into its research policy, HOGENT hopes to encourage and mobilise researchers, lecturers and students to reflect on and contribute to solutions for the world's 'wicked problems'.



Alma Mater Studiorum – Università Di Bologna

The University of Bologna was founded in 1088 and is considered to be the oldest university in Western Europe. Nowadays, it remains one of the most important institutions of higher education across Europe, with around 86.000 enrolled students, and it is the most internationalised of all Italian universities. The Department of Management (DISA) of the University of Bologna is the point of reference for teaching and research in business and economics. With its 100 professors and researchers, it aims to increase and disseminate the organisational culture and foster innovation and several research collaborations. The University and the Department of Management have strong and well-consolidated expertise in managing EU projects and experience in Erasmus Plus projects as a coordinator and partner.

The University of Bologna is strongly committed to sustainability. It prepares an SDGs annual report that describes all the University's teaching, research and third mission activities based on the 17 SDGs of the U.N. Agenda 2030. In addition, since 2012, The University of Bologna discloses a Social Responsibility report every year. In 2018, The Department of Management (DISA) opened a Yunus Social

Business Center on sustainable entrepreneurship and innovation topics. In addition, it hosts the Grameen Italia Foundation, which is active in training projects about social inclusion, circular economy, and sustainability.

Université Catholique de Lille

Founded in 1875 and unique in France, the Lille Catholic University is a multidisciplinary institution which combines 5

faculties, 20 schools, institutes, and Grandes Ecoles, and a hospital group. From its very beginnings, what is now France's largest private, not-for-profit university has distinguished itself within the fields of higher education, research, and health through its commitment to mutual care as a central value. The institution supports and is supported by the local region and community and is open to diversity and the world.

Driven by creativity and innovation and in close collaboration with its students and its partners, the Lille Catholic University is contributing to the construction of the world of tomorrow through its research projects, entrepreneurship, involvement with society's most vulnerable, and the transformation of society and its energy use.



In particular, the Department of Management, Economic and Science (FGES) is one of the few that allows its students to follow a wide variety of courses ranging from economics, management, computer science and biology, and thus combine multiple skills. In this way, it wants to be a response to the challenge of a world in full transformation. The FGES is composed of more than 350 professors and around 90 permanent department members. It has two campuses, in Vauban and in Wenov, both in Lille. Lille Catholic University will bring to the project its expertise in Sustainability and non-financial reporting. In 2013, the Catholic University of Lille changed its strategy and focused more on sustainability (the Live Tree program). This global project brings together all the families of actors (teachers, researchers, staff, students, businesses, inhabitants, communities) and which comes in a set of actions with an integrated approach to Engineering Science - Sciences Human and Social. The Live TREE program should contribute to a new model of society. The program is fully in line with this project. In addition, the Lille Catholic University is a (leading) partner in several EU projects.

Technological University Dublin

Technological University Dublin came into existence in January 2019 as Ireland's first technological university. It is the second-largest third-level institution in Ireland, with a student population

of 28,500 and approximately 3,500 staff. The university was formed by the amalgamation of three existing institutes of technology in the

Dublin area into five new faculties, including the Faculty of Arts and Humanities, the Faculty of Business, the Faculty of Engineering and Built Environment, the Faculty of Sciences and Health, the Faculty of Computing, Digital and Data. The university is investing over €500 million in new, state-of-the-art, technology-enabled facilities at its flagship campuses at Grangegorman, Tallaght and Blanchardstown, Bolton Street and Augier Street to enhance the student experience.

In recognising the benefits of localising the UN Sustainable Development Goals (SDGs) in learning outcomes, TU Dublin's inaugural strategic intent for 2030 has been written through the lens of the SDGs with three interrelated thematic pillars - People, Planet, and Partnership. Underpinned by the key goal of SDG 4, 'Quality Education', these three pillars inform its approach to educational, research and engagement practices, ensuring that TU Dublin delivers real change, innovation and impact for society. The planet pillar, in particular, expresses strong ambition for TU Dublin to be 'Powerhouse for Living & Breathing Sustainability' by addressing the challenges facing the world and impacting positively the planet and people, with 'education' as the engine.



Sustainability standards

Standard	Purpose	Organisation	Users	Mandatory	Stakeholder/ shareholder
SASB Standards	The standards are designed to help organisations disclose financially-material sustainability information to investors.	Sustainability Accounting Standards Board (SASB)	Worldwide	No	Shareholder
Integrated Reporting Framework	The reporting framework is designed to enable organisations to create an integrated annual report that demonstrates how they operate sustainably and deliver (social) value for the short, medium and long term based on the Six Capitals Human, Social and relationship, Natural, Intellectual, Manufactured and Financial).	International Integrated Reporting Council (IIRC)	Worldwide	No	Stakeholder and shareholder
Greenhouse Gas Protocol (GHG)	The purpose of the GHG Protocol is to provide a globally recognized standard for measuring and managing greenhouse gas (GHG) emissions.	World Resources Institute (WRI) en World Business Council for Sustainable Development (WBCSD)	Worldwide	No	Stakeholder
Global GHG Accounting Reporting Standard for the Financial Industry	PCAF has developed an open-source global GHG accounting standard for the financial industry.	Partnership for Carbon Accounting Financials (PCAF)	Worldwide	No	Stakeholder
Global Reporting Initiative - GRI Standards	The standards are the most widely used and trusted standards for sustainability reporting.	Global Reporting Initiative (GRI)	Worldwide	No	Stakeholder
European Sustainability Reporting Standards	The ESRS aims to provide clear guidelines and requirements for organisations to measure, report, and disclose their sustainability performance.	European Financial Reporting Advisory Group (EFRAG)	Europe	Yes, from reporting year 2024	Stakeholder en Shareholder
IFRS Sustainability Disclosure Standards	The proposed standards by the ISSB provide a global baseline for disclosing sustainability-related financial information.	International Sustainability Standard Board (ISSB)	Worldwide	No	Shareholder
TCFD recommendations	A standard to report information on financial risks and opportunities related to the impact of climate change.	Task Force on Climate-related Financial Disclosures (TCFD)	Worldwide	In selected organisations or countries	Shareholder

From Financial to Integrated Reporting



Colophon

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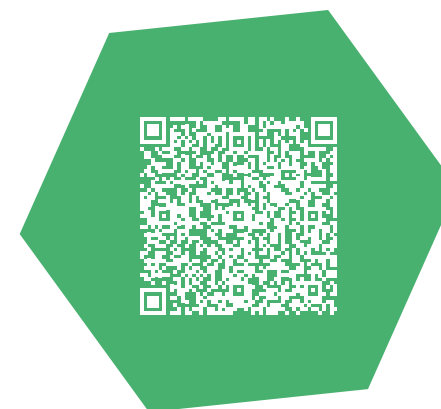
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Your input is greatly appreciated.



KNOW YOUR BUSINESS

Courses for Integrated Sustainability Reporting

Classical economic growth makes way for other values. Such as people, planet and prosperity. This is necessary for a liveable planet and a sustainable economy. We face a major challenge. The people we train must eventually do it. The INTEGRES Project, a collaboration among five international universities, has been focused on developing open- source course material over the past three years. The aim is to equip (future) finance and accounting professionals with the necessary knowledge and skills to navigate new sustainable EU regulations and models related to Integrated Reporting. This E-book is the result of extensive research aimed at addressing the question of how to educate them in impact accounting and integrated reporting, given the changes in their future professions and legislation.

The course materials are structured into 5 modules. The E-book consists of 31 blueprints that serve as the building blocks of each module. Each blueprint contains a QR code that serves as a portal to access the course materials, such as PowerPoint presentations, assignments, workshops, quizzes, business games, videos and articles. These materials are stored on a publicly accessible file server, allowing users to view and download them as needed and customised based on individual needs and learning objectives.

**INTEG
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