The IIRC welcomes comments on all aspects of the Discussion Paper from all stakeholders, whether to express agreement or to recommend changes. Your answers to the Consultation Questions, and any other comments you would like to make, should be submitted on this form (submitted electronically at end of document) or sent via email to dpresponses@theiirc.org.

For the purpose of analysis, you are asked to identify the organization to which you belong and where it is located. All comments received will be considered a matter of public record and will be posted on www.theiirc.org.

Comments should be submitted by Wednesday 14th December 2011.

Name	LINDA LOWSON, ESQ.
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Type of Stakeholder (please tick one as appropriate)

- ○ Academic
- ○ Analyst
- ○ Assurance Provider
- ○ Business
- ○ Consultant
- ○ Government
- ○ Inter-Governmental Agency
- ○ Investor
- ○ Labour Representative
- ○ Non-Governmental Organization
- ○ Professional Body
- ○ Rating Agency
- ○ Standard Setter
- ○ Student
- ○ Think Tank
- ○ Trade or Industry Association
- ○ Other, please specify below

ESG Financial Regulatory Advisor

Key Points

If you wish to express any key points, or to emphasise particular aspects of your submission, or add comments in the nature of a covering letter, then the following space can be used for this purpose.

My suggestion: consider adding a Regulatory Requirements dimension to both the Guiding Principles and the Content Elements, specifically covering financial (securities and accounting) regulatory disclosure and reporting requirements that currently apply to "material" ESG issues.

Based upon our legal/regulatory analysis of how ESG issues trigger existing financial regulatory requirements, there are, for example, a number of SEC and FASB disclosure, reporting, and estimating requirements that currently apply to "material" ESG issues.

These requirements are largely being ignored by most public companies, due mainly to the lack of clear, specific regulatory guidance. This noncompliance represents a potentially large area of risk for investors and other stakeholders, including inaccurate financial statements and associated legal and regulatory liabilities for managements and boards.

The World has Changed – Reporting Must Too (page 5 of the Discussion Paper)

Q1. (a) Do you believe that action is needed to help improve how organizations represent their value-creation process? Why/why not?

YES, current reporting practices are largely regulatory-driven, and most financial regulation is "outdated" and/or hampered by "legacy system" foundations.

Q1. (b) Do you agree that this action should be international in scope? Why/why not?

YES, without consistent global standards, timely achievement of the end goal of sustaining the planet is not possible.

Towards Integrated Reporting (page 6 of the Discussion Paper)

Q2. Do you agree with the definition of Integrated Reporting on page 6? Why/why not?

YES, but I would add regulatory context to the list of contexts.

An International Integrated Reporting Framework (page 8 of the Discussion Paper)

Q3. Do you support the development of an International Integrated Reporting Framework? Why/why not?

YES, we live in a global economy and global society, and see Q1b answer.

Q4. (a) Do you agree that the initial focus of Integrated Reporting should be on reporting by larger companies and on the needs of their investors? Why/why not?

I would prefer an initial focus upon public companies in general.

Q4. (b) Do you agree that the concepts underlying Integrated Reporting will be equally applicable to small and medium enterprises, the public sector and not-for-profit organizations?

YES.

Business Model and Value Creation (page 11 of the Discussion Paper)

Q5. Are: (a) the organization's business model; and (b) its ability to create and sustain value in the short, medium and long term, appropriate as central themes for the future direction of reporting? Why/why not?

YES, but I would add Governance, Risk, and Compliance as central themes.

Q6. Do you find the concept of multiple capitals helpful in explaining how an organization creates and sustains value? Why/why not?

YES.

Guiding Principles (page 12 of the Discussion Paper)

Q7. Do the Guiding Principles identified in the Discussion Paper provide a sound foundation for preparing an Integrated Report – are they collectively appropriate; is each individually appropriate; and are there other Guiding Principles that should be added? Why/why not?

YES, but I would add the Financial Regulatory Requirements dimension, as explained in my cover letter.

Content Elements (page 15 of the Discussion Paper)

Q8. Do the Content Elements identified in the Discussion Paper provide a sound foundation for preparing an Integrated Report– are they collectively appropriate; is each individually appropriate; and are there other Content Elements that should be added? Why/why not?

YES, but I would add the Financial Regulatory Requirements dimension, as explained in my cover letter.

What Will Integrated Reporting Mean for Me? (Reporting organizations – page 21, Investors – page 22, Policymakers, regulators and standard-setters – page 23, Other perspectives – page 24 of the Discussion Paper)

Q9. (a) From your perspective: Do you agree with the main benefits as presented in the Discussion Paper? Why/why not?

YES.

Q9. (b) From your perspective: Do you agree with the main challenges as presented in the Discussion Paper? Why/why not?

YES, but I would add as a challenge the lack of vendor software to enable companies to properly collect, connect, measure, monitor, and manage the comprehensive range of data necessary to fulfill Integrated Reporting requirements.

Q9. (c) From your perspective: Do you agree that Integrated Reporting will drive the disclosure of information that is useful for integrated analysis (from the perspective of investors)? Why/why not?

YES, how can it not.

Future Direction (page 25 of the Discussion Paper)

Q10. (a) Do you agree that the actions listed in the Discussion Paper should be the next steps undertaken by the IIRC? Why/why not? Are there other significant actions that should be added?

YES, but I would add as a significant action the examination of current financial regulatory requirements applicable to material ESG issues, as part of the Pilot Programme and the development of the Exposure Draft.

Q10. (b) What priority should be afforded to each action? Why?

I suggest that the financial regulatory examination be done as an initial priority.

Q11. Do you have any other comments that you would like the IIRC to consider?

See cover letter.

Additional questions: These are NOT compulsory but will help with analysis if completed

I have provided feedback that reflects:

- [x] Personal interest
- [x] Interest of an organization, please provide the name of the organization:

  CSR INSIGHT LLC

Which best describes your involvement with sustainability reporting?
Please tick all that apply.

- [ ] Reporter (prepare a report for my own organization)
- [ ] Consultant (report preparer on behalf of a third party)
- [ ] Assurance provider
- [ ] Report reader (read reports for the purpose of evaluating or analyzing organizations)
- [x] Other, please specify:

  ESG and Financial Regulatory Advisor

Please indicate how many years of experience you have with sustainability reporting:

- ( ) No experience
- ( ) Less than 1 year
- ( ) 1-5 years
- (•) More than 5 years

Submit to the IIRC