

MEDIA RELEASE

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SOUTH AFRICA LEADS ON INTEGRATED REPORTING

Listed companies, large public sector organisations and other organisations in South Africa lead the rest of the world in integrated reporting. The integrated report tells the holistic story of an organisation by disclosing information on the business model, strategy, performance, and the use and effect on all the capitals essential to the business and its future.

The trends in integrated reporting in South Africa are noted around the world. Also noted are the technical information papers issued each year by the Integrated Reporting Committee (IRC) of South Africa. The national body promotes and develops integrated reporting and its members include ASISA, JSE, IoDSA, SAICA, IIA, CSSA, BASA, GEPF, FSB and others. The chairman of the IRC is Professor Mervyn King.

This week, the IRC issued its latest technical information paper *Reporting on Outcomes*. The outcomes of an organisation's business activities and products/ services are seen as the consequences on the capitals that the organisation relies on and affects. Outcomes are important for many reasons including that they give an indication to investors and other stakeholders as to the future availability, quality and pricing of the capitals that will be needed by the organisation in the future.

"Understanding how the effects of an organisation's business activities influence its ability to create value tomorrow is critical to integrated thinking, strategy and risk management in the 21st century.

"The recent spate of high-profile corporate transgressions has disappointed investors and other stakeholders. It once again has heightened the need to build greater trust between corporates and stakeholders given their connectivity and mutual dependence. Transparency in an integrated report that includes the main positive and negative, intended and unintended outcomes of business activities can be a start to re-building this trust," says Professor King.

The information paper is available on www.integratedreportingsa.org

About the IRC of South Africa

The IRC was formed in May 2010 under the chairmanship of Professor Mervyn King. Its objectives are to develop and promote guidance on good practice in integrated reporting in South Africa. The IRC has a Working Group comprising of individual experts. For more information see www.integratedreportingsa.org. The organisational members of the IRC are: Association for Savings and Investment South Africa (ASISA), Banking Association of South Africa (BASA), Batseta (Council of Retirement Funds for South Africa, previously known as the Principal Officers Association), Business Unity South Africa (BUSU), Chartered Secretaries Southern Africa (CSSA), Financial Services Board (FSB), Institute of Directors in Southern Africa (IoDSA), Institute of Internal Auditors (IIA), Government Employees Pension Fund (GEPF), Johannesburg Stock Exchange (JSE) and South African Institute of Chartered Accountants (SAICA).

Issued by: The Integrated Reporting Committee (IRC) of South Africa.

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