

Technical Work Programme of the IIRC

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About this session

- Overview of the high-level findings from the global feedback on implementation of the International <IR> Framework
- Technical Work Programme focus areas and status update

Where is the IIRC headed?

“Our strategy is based on two key pillars - the first is about embedding Integrated Reporting as a key principle of 21st century corporate governance - and the second is about Integrated Reporting being a catalyst for a more cohesive corporate reporting system.”

- Richard Howitt CEO, IIRC



Adoption



**1,600 organizations across
64 countries**

including every G20 economy

Global networks

with 2,000 participants including
500 in Brazil

FRAMEWORK IMPLEMENTATION FEEDBACK

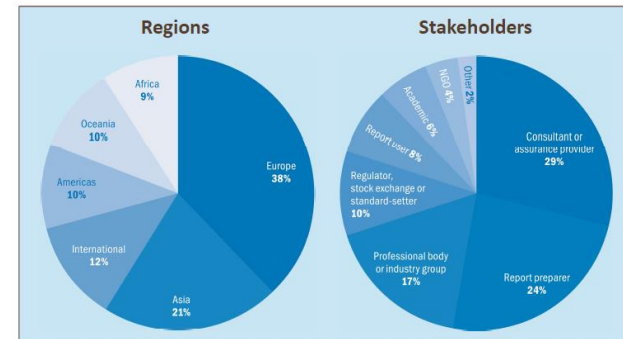
INTEGRATED REPORTING <IR>

International <IR> Framework Implementation Feedback

Summary report

60 day comment period
19 countries holding focus groups
400 views heard

- Released October 2017
- Feedback sources
- Recurrent themes of feedback
- Next steps



WHAT DID PARTICIPANTS HAVE TO SAY?

RECURRENT THEMES

- Purpose and audience
- Conciseness
- Fit with other initiatives
- Materiality approach
- Integrated thinking
- Multiple capitals
- Enablers and hurdles
- Outputs versus outcomes
- Role of governance
- Report credibility

KEY FINDINGS

- Better understanding of challenges and opportunities
- No revisions to the <IR> Framework are currently needed, and none will be considered before 2019 at the earliest
- Some common misconceptions exist and will be addressed, representing some quick wins to be achieved
- <IR> Framework stands up to the test of implementation
- Findings from review will inform the IIRC's ongoing technical programme.

TECHNICAL WORK IN PROGRESS! FILLING BUCKETS WITH GUIDANCE & KNOWLEDGE



THE WORK IS WELL UNDERWAY

	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018
Guidance: Project proposals	Materiality (17) Getting started (46)	Multiple capitals (4) Value creation (14) Business model outputs and outcomes (22)	Statement from those charged with governance (25)	Pathways to Integrated Reporting (47)	Integrated thinking (8) Business model reporting by conglomerates (24)
Guidance: Outputs	Frequently Asked Questions* → Leading practice in <IR> Examples Database* → Integration of feedback into training programme (39) →	Practice aid: Summary of Framework requirements (37)		Practice aid: Getting started (46)	Practice Note: Materiality (17)
Research: Project proposals	Use of narrative and "non-financial" information by providers of financial capital (42)	Corporate reporting developments (6) Incentives and barriers to balanced reporting, including legal liability (29)	Implementation by SMEs, public sector entities and not-for-profits (44)	Disclosing stakeholders' needs and interests (12)	Connectivity and decision making (5)
Ongoing discussion with Corporate Reporting Dialogue and others	Multiple capital metrics (2) → Materiality and materiality determination process (19) → Credibility and trust - audit and assurance (38) →	Integrated thinking (9) →	Watching brief over other materiality approaches (18) → Emphasis on balanced reporting (28) → Explaining the reporting landscape (48) →	Alignment - Guiding Principles (30) →	

*Proposed actions: 1, 10, 11, 16, 20, 31, 33 and 35

**Proposed actions: 3, 7, 13, 15, 21, 23, 32, 34, 36 and 40

GUIDANCE – *Project Proposals*



Topic	Outputs / Estimated timeframes
Materiality	Practice Note proposal – 2019
Getting Started	Guide proposal – <i>end 2018</i>
Multiple Capitals	Practice Note proposal - <i>end 2018</i>
Value Creation	Revised Paper proposal - 2019
Business Model – Outputs and Outcomes	Practice Note proposal - 2019
Statement from Those Charged with Governance	Practice Note proposal - 2019

GUIDANCE - *Outputs*



Topic	Outputs / Estimated timeframes
FAQ's	Website – 2018
Leading Practice in <IR> Examples Database	Website – 2018
Integrated of feedback into <IR> Training Programme	Ongoing
Practice Aid: Summary of Framework requirements	Website – Q3 2018

RESEARCH - *Proposals*



Topic	Outputs / Estimated timeframes
Use of narrative and non financial information by providers of financial capital	Proposal finalized, sourcing Partners
Corporate reporting developments	To be finalized at October CRD meeting
Incentives and barriers to balanced reporting	Proposal finalized, sourcing Partners
Implementation by SME's, public sector and not for profits	Proposal finalized, sourcing Partners

COLLABORATION – *Ongoing dialogue with CRD & others*



Topic	Outputs / Estimated timeframes
Multiple capitals metrics	<i>Link to Practice Note; CRD activities</i>
Materiality and materiality determination process	<i>Link to materiality guidance</i>
Credibility and trust – audit and assurance	<i>Credibility enhancing mechanisms; IAASB EER project</i>
Integrated thinking	<i>Integrated Thinking and Strategy Special Interest Group</i>
Emphasis on balanced reporting	<i>CRD activities</i>
Explaining the reporting landscape	<i>Link to related research piece</i>

**PASSION.
PURPOSE.
PROGRESS.**

— COMPETE EVERY DAY —

Questions?



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