

UPDATE ON THE INTEGRATED REPORTING FRAMEWORK

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**INTEGRATED REPORTING
COMMITTEE (IRC)
OF SOUTH AFRICA**

ANNUAL CONFERENCE

2022

#IRCSAConf22

ENDORISING INTEGRATED REPORTING AND INTEGRATED THINKING

Statement by Andreas Barckow, Chair of the IASB, and Emmanuel Faber, Chair of the ISSB, 25 May 2022

“We are convinced that the Integrated Reporting Framework drives high-quality corporate reporting and connectivity between financial statements and sustainability-related financial disclosures which improves the quality of information provided to investors. Therefore, we strongly encourage continued use of the Integrated Reporting Framework and the Integrated Thinking Principles underpinning it.”

INTEGRATED REPORTING RESOURCES – IFRS FOUNDATION USE

Integrated Reporting Framework

The IASB and ISSB have jointly assumed responsibility for the Integrated Reporting Framework

Building on Integrated Reporting Framework

The IASB and ISSB will work together to determine how to build on the Integrated Reporting Framework in their standard-setting work

Integrated Reporting & Mgmt Commentary

The Boards will seek opportunities to further align the Integrated Reporting Framework and Management Commentary

Corporate Reporting Framework

The Boards envisage a long-term role for a corporate reporting framework

USE OF INTEGRATED REPORTING FRAMEWORK

IFRS Foundation encourages continued use of the Integrated Reporting Framework and the Integrated Thinking Principles underpinning it

DRIVES HIGH-QUALITY CORPORATE REPORTING

CONNECTS FINANCIAL STATEMENTS AND SUSTAINABILITY-RELATED FINANCIAL DISCLOSURES

ENABLES INTEGRATION FOR BETTER DECISION-MAKING

IMPROVES THE QUALITY OF DECISION-USEFUL INFORMATION

ENHANCES BOARD ACCOUNTABILITY AND ENGAGEMENT

KEY RESULTS FROM IR ADOPTION STUDY

- **Name of the document** → vast majority use 'Integrated Report', 'Integrated Annual Report', 'Annual Report'
- **Type of document** → mainly 'integrated into annual report' or as a 'standalone document' (which also includes key financial facts and sustainability summary data)
- **Reference to <IR> Framework** → 'yes' in the vast majority of cases (87%)
- **Target audience** → both providers of financial capital and other stakeholders (often generally referred to as 'stakeholders')
- **Reference to other sustainability reporting standards and/or Frameworks** → GRI, SASB, TCFD
- **Multi-capital language and its positioning** → tendency to adopt the multi-capital language (also using different terms) (71%), especially in the business model and/or performance sections

FOCUS SINCE 1 AUGUST

- Education sessions with ISSB Board members
- Small Group Meetings with IASB Board members – preparation for further work on the IR Framework and Management Commentary
- Establishing the IRCC Advisory Group – inaugural meeting 10 Nov
- Initiating IR ‘vitality campaign’ including refreshed case studies, articles and blogs
- Integrated Thinking Principles launched – with events scheduled for October and November
- Preparing for ISSB future agenda consultation

FUTURE OF INTEGRATED REPORTING COUNCIL

Trustees



IASB



ISSB



IRCC – Integrated Reporting and Connectivity Council

Advisory body to IFRS Foundation Trustees, the IASB and ISSB

Provides advice on:

- integration of reporting required by the Boards
- how principles from IR Framework should be considered by the Boards

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