

INTEGRATED REPORTING <IR>

Paul Druckman

Paris – May 2011



Intellectual Capital for Communities
In the Knowledge Economy

- Chairman, Executive Board - The Prince's Accounting for Sustainability Project (A4S)
- Co-chair, IIRC Working Group



"SESSION 6: INTANGIBLES PROSPECTS AND ACCOUNTING: EUROPEAN AND GLOBAL INITIATIVES"

Evolution of reporting



1960



1980



2000



2020



Why the IIRC was established

- **Bring together** financial standard setters (IASB, FASB, IFAC), securities regulators (IOSCO) and sustainability standard setters (GRI, AccountAbility) with representatives from companies, investors and civil society to develop and implement an integrated reporting model
- **Facilitate convergence** to increase consistency, avoid reporting burden and enable comparability on an international basis

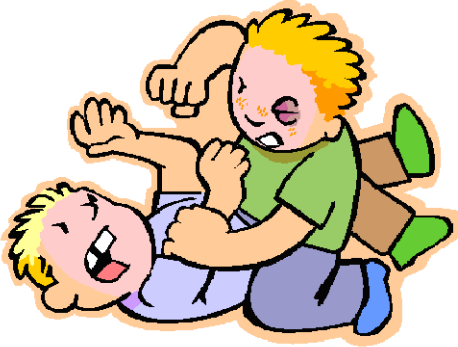
“To create a globally accepted Integrated Reporting framework which brings together financial, environmental, social and governance information in a clear, concise, consistent and comparable format. The aim is to help with the development of more comprehensive and comprehensible information about organizations, prospective as well as retrospective, to support transition to a more sustainable global economy.”



IIRC Membership - extract

- Sir Michael Peat, Principal Private Secretary to TRH The Prince of Wales and The Duchess of Cornwall (Chairman)
- **Professor Mervyn King, Chairman, King Committee on Corporate Governance and Chairman, GRI (Deputy Chairman)**
- Charles A. McDonough, Vice President and Controller, The World Bank
- Göran Tidström, President, IFAC
- **Professor Nelson Carvalho, Universidade de São Paulo, Brazil Chairman, 25th Session of UNCTAD's ISAR**
- Paul Clements-Hunt, Head of Unit, UNEP FI
- **Jane Diplock, Chairman of the New Zealand Securities Commission and Executive Committee of the IOSCO**
- Robert Eccles, Harvard Business School
- **Leslie Seidman, Chairman, FASB**
- Ishaat Hussain, Chief Financial Officer, Tata
- Professor Angeliem Kemna, Chief Investment Officer, APG
- Huguette Labelle, Chair, Transparency International
- Dennis Nally, Chairman, PricewaterhouseCoopers International Limited
- **Atsushi Saito, President & CEO, Tokyo Stock Exchange Group, Inc**
- Rick Samans, Managing Director, WEF and Chairman, CDSB
- Jim Singh, Chief Financial Officer, Nestle
- **Sir David Tweedie, Chairman, IASB**
- **Christy Wood, Chair, ICGN**

Underlying it all.....



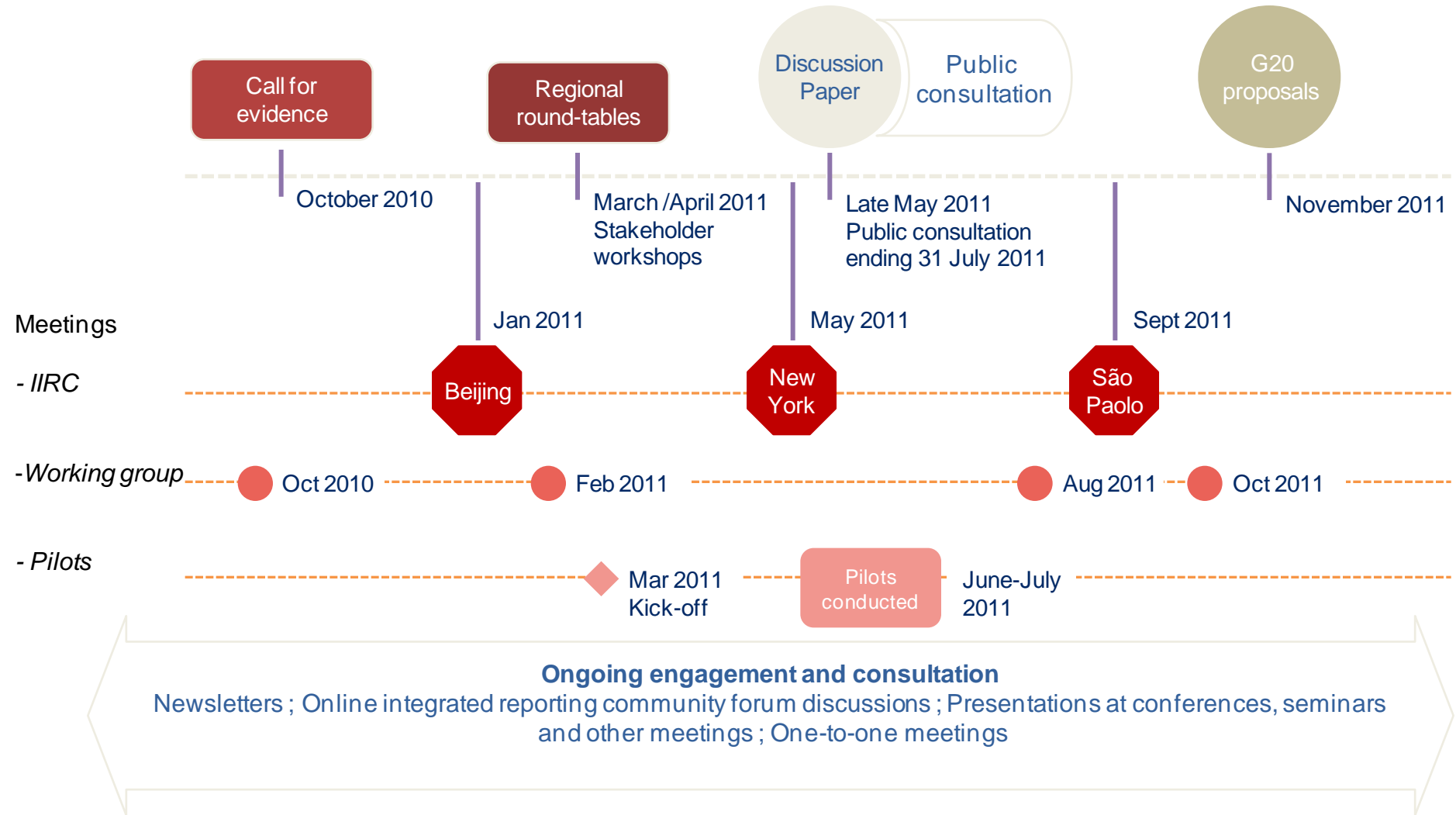
Roadmap – making a vision a reality



Immediate Work Plan

Work-stream	Description	Output
1. Integrated Reporting Framework development	Proposals for an integrated reporting framework	Discussion Paper for public consultation during June/July 2011
2. Engagement and communications	Raise awareness of the need for integrated reporting and develop a consensus on the response required	Support for proposals taken to the G20 in November 2011
3. Governance of Integrated Reporting	Proposals for the role of the IIRC and other organisations to achieve the adoption and oversight of integrated reporting in the medium- to long-term	Discussion Paper for public consultation during June/July 2011

2011 Key milestones



Roadmap – making a vision a reality



Roundtables – **an indication**

Davos
27 January
with WEF

Sydney
April 11th.
with BRLF

Brussels
17 June
with FEE

Paris
[June] *with*
Credit
Agricole

US
NY – June
LA – July
with AICPA
& others

Mumbai
19 January
with GRI & GTZ

Frankfurt
21 June
with DVFA

Rio
[July]
[with GRI]

Japan
[tbc]

London
15 Dec 10
with A4S

IR Pilot Programme



Contents of the Discussion Paper

PART I

Background/Preface

- Who is IIRC, high-level vision, 2-year plan

Executive Summary

1. Introduction
 - What is IR?
2. Business case
3. Vision
4. Roadmap, enabler and barriers

PART II

The Framework

- Model
- Principles
- Elements

“6 Capitals”

Financial capital:

Intellectual Capital:

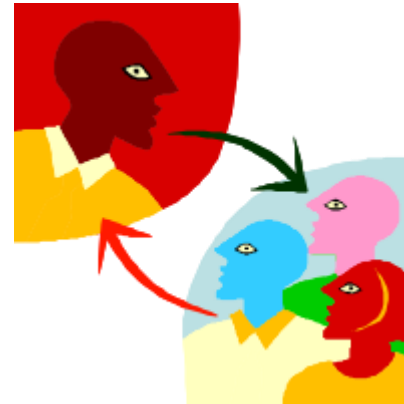
Human capital:

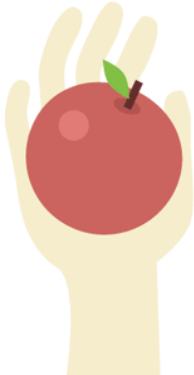
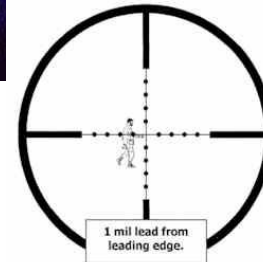
Natural capital:

Social capital:

Manufactured:







Your contribution.....



- Educate, influence and communicate
- Comment and add context on Discussion Paper

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www.theiirc.org

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