

Consultation questions

The IIRC welcomes comments on all aspects of the Draft International <IR> Framework (Draft Framework) from all stakeholders, whether to express agreement or to recommend changes.

The following questions are focused on areas where there has been significant discussion during the development process. Comments on any other aspect of the Draft Framework are also encouraged through the questions.

Please provide all comments in English.

All comments received will be considered a matter of public record and will be posted on the IIRC's website (www.theiirc.org).

Comments should be submitted by Monday 15th, July 2013.

Name:

Email:

Stakeholder group:

If replying on behalf of an Organization please complete the following:

Organization name:

Industry sector:

Geographical region:

Key Points

If you wish to briefly express any key points, or to emphasize particular aspects of your submission, or add comments in the nature of a cover letter, then the following space can be used for this purpose. Please do not repeat large amounts of material appearing elsewhere in your comments.

Chapter 1: Overview

Principles-based requirements

To be in accordance with the Framework, an integrated report should comply with the principles-based requirements identified throughout the Framework in bold italic type (paragraphs 1.11-1.12).

1. *Should any additional principles-based requirements be added or should any be eliminated or changed? If so, please explain why.*

Paragraphs 1.11 and 1.12:

Include explanations to avoid the apparent contradiction between the principle of data

materiality and the possibility that this information will not be available. It would be appropriate for the Framework to mention this dichotomy, providing guidance to organizations that they should review whether or not information is material if the data is unavailable. Finally, only if this review confirms that this information is material the company should publish information referred to in paragraph 1.12..

Mention that, in principle, only rarely should information on material issues be unavailable and should be analyzed by the those in charge of governance. In general, these circumstances should be limited to: 1) initial <IR> application periods; 2) when an issue has only become material very recently or 3) when an item is difficult to measure.

Justification: Paragraph 1.12 explains that when an organization does not have certain data available, it should state what steps are being or will be taken to obtain this information and the estimated time frame. However, in paragraph 1.11, the Framework establishes a principle that presumes material information will be presented. The foregoing suggestions will make this information clearer, given the contradictory positions described above.

Interaction with other reports and communications

The <IR> process is intended to be applied continuously to all relevant reports and communications, in addition to the preparation of an integrated report. The integrated report may include links to other reports and communications, e.g., financial statements and sustainability reports. The IIRC aims to complement material developed by established reporting standard setters and others, and does not intend to develop duplicate content (paragraphs 1.18-1.20).

2. *Do you agree with how paragraphs 1.18-1.20 characterize the interaction with other reports and communications?*

Paragraphs 1.18 to 1.20:

Emphasize that all reports published by organizations adhering to <IR> should follow the Framework guidelines, ensuring that the information disclosed in different reports is coherent.

Explain that, beyond existing reports, organizations adhering to <IR> are not necessarily required to produce a new report called the "integrated report".

Explain that the integrated report is not a new document (stand-alone report) but a method of aligning and ensuring coherence between the various documents published, based on the position publicly presented by the IIRC.

Justification: In this and other sections, the document does not clearly explain that the integrated report is not a new document, it is a method of aligning the wide range of documents already published by companies and ensuring they are coherent with one another. Paragraph 1.18 states that an integrated stand-alone report is expected to be prepared annually for financial reporting cycles. The expected production of an integrated stand-alone report could be interpreted as a requirement to create a new document, resulting in organizations not presenting information required by the <IR> in the various documents they normally prepare (financial reports, sustainability reports, etc.) which should be integrated based on the framework recommendations.

3. *If the IIRC were to create an online database of authoritative sources of indicators or measurement methods developed by established reporting standard setters and others, which references should be included?*

The IIRC database should include global and local references. We therefore suggest: IFRS (and regulation issued by the ; GRI. For companies operating in Brazil: The CVM (Reference Form, Material Facts and other CVM instructions); recommendations from the Ethos Institute; pronouncements from CODIM, regulation issued by the Comitê de Pronunciamentos Contábeis regarding IFRS and recommendations from the IBGC Code of Best Practices in Corporate Governance.

Other

4. *Please provide any other comments you have about Chapter 1.*

General Aspects

Recommend that when organizations produce their reports, they should consult and adhere to local references for the countries and regions they operate in.

Suggest organizations should always mention the references, indicators and/or methods used to present information disclosed in their reports.

Justification: Information can only be properly understood by readers if they are aware of the methodology used (for example IFRS x USGAAP).

Within the Framework, provide a clearer explanation that both financial and non-financial information should adhere to <IR> principles.

Provide a more detailed definition of "value" and include it in Chapter 1, as part of the principles (this definition should be written in bold-italic text to be considered a principles-based requirement), and in the Glossary.

Justification: The basic goal of the Framework is to present an integrated vision of long-term value creation, explained in paragraph 1.2. The concept of "value" throughout the Framework is a fundamental aspect of the <IR> goals and is only dealt with very briefly in section 2D.

Provide a short explanation of the concept of materiality, explaining that the concept will be studied in greater detail in Chapter 3.

Justification: As the concept of materiality is referred to on several occasions in Chapter 1, we suggest providing the necessary explanations so that the recommendations can be properly understood.

Paragraph 1.17:

Add two other factors to the list of interconnection and interdependence factors:

- The basic goal of the organization

Justification: Factors influencing value creation will be different in organizations with different goals;

- The compensation structure for management and those in charge of governance, and connection or linkage between compensation and the KPI's.

Chapter 2: Fundamental concepts

The capitals (Section 2B)

The Framework describes six categories of capital (paragraph 2.17). An organization is to use these categories as a benchmark when preparing an integrated report (paragraphs 2.19-2.21), and should disclose the reason if it considers any of the capitals as not material (paragraph 4.5).

5. *Do you agree with this approach to the capitals? Why/why not?*

Yes. This is positive for the following reasons: It shows the relevance of certain aspects which have not been particularly well detailed (human, social and environmental capital); it explains who organizations should get involved when implementing <IR> and who is impacted by the results (positively or negatively); and it reinforces the need to evaluate all capitals, including non-financial capital.

6. *Please provide any other comments you have about Section 2B?*

General Aspects

The text is very well written and the information is transmitted very clearly.

As this chapter concentrated on essentially theoretical issues, we would suggest providing guidance throughout the Framework on how to implement the theoretical assumptions presented in this section in order to make the information more tangible for readers. For example, provide guidance on reporting narratives and the quantitative measures that should be presented.

Business model (Section 2C)

A business model is defined as an organization's chosen system of inputs, business activities, outputs and outcomes that aims to create value over the short, medium and long term (paragraph 2.26).

7. *Do you agree with this definition? Why/why not?*

Yes. However, we would suggest including information explaining how organizations deal with the interaction of capitals as part of their business activities and during the value creation process and how they handle the impact their business model has on these capitals.

Outcomes are defined as the internal and external consequences (positive and negative) for the capitals as a result of an organization's business activities and outputs (paragraphs 2.35-2.36).

8. *Do you agree with this definition? Why/why not?*

Yes. However, we would suggest that the Framework explicitly include in the "outcomes" the concept of "externalities" (positive and negative), the direct impact on capitals and the way organizations deal with them.

9. Please provide any other comments you have about Section 2C or the disclosure requirements and related guidance regarding business models contained in the Content Elements Chapter of the Framework (see Section 4E)?

Other

10. Please provide any other comments you have about Chapter 2 that are not already addressed by your responses above.

General Aspects

Chapter 2 states that quantitative indicators are an important method of ensuring transparency about the way various capitals are used and the effects caused on them, explaining that not all aspects are measurable (paragraph 2.24). Additionally, we suggest that the Framework should recommend that organizations disclose this type of quantitative information whenever it is available.

Paragraph 2.42:

Switch the position of this paragraph, which defines “value”, putting it in the first chapter. If this is not possible, include a brief comment on “value” in the first chapter, suggesting that readers look at paragraph 2.42 for further information.

Chapter 3: Guiding Principles

Materiality and conciseness (Section 3D)

Materiality is determined by reference to assessments made by the primary intended report users (paragraphs 3.23-3.24). The primary intended report users are providers of financial capital (paragraphs 1.6-1.8).

11. Do you agree with this approach to materiality? If not, how would you change it?

Paragraph 3.23:

Emphasize not only the providers of financial capital, but also stakeholders involved in other capitals, including stakeholders who are not particularly visible (for example, fauna, flora, future generations, etc.).

Justification: The explanation of the concept of materiality is very interesting because it looks at the impact on the various types of capital involved. Paragraph 2.18 acknowledges that not all of the six capitals are relevant or applicable to all organizations. However, the weighting towards providers of financial capital in paragraph 3.23 may be excessive compared with the other stakeholders involved in other capitals in the materiality determination process.

Paragraph 3.24:

Explain that materiality should not only be a financial consideration or dealt with only in terms of its objectively measurable aspects, as materiality involves everything which may have a significant impact on the business and on the different capitals involved. We suggest using the GRI proposal as a reference for writing about this issue.

Justification: The current text could lead organizations to believe that they need not provide information on certain issues which could affect the value of non-financial

capitals, as these issues might not be considered material due to lack of objectively measurable aspects.

12. *Please provide any other comments you have about Section 3D or the Materiality determination process (Section 5B).*

Paragraph 3.29 (3D):

The concept of "Conciseness" needs to be better developed, because this will be a key issue for <IR>.

Paragraph 5.3 (5B):

Add a graphic element to the "Materiality determination process" diagram (maybe an additional box) for "stakeholder viewpoints", showing that this element should permeate the entire process used to determine materiality.

Reliability and completeness (Section 3E)

Reliability is enhanced by mechanisms such as robust internal reporting systems, appropriate stakeholder engagement, and independent, external assurance (paragraph 3.31).

13. *How should the reliability of an integrated report be demonstrated?*

Paragraph 3.31:

Emphasize the importance of maintaining the consistency of information published in different reports and, as such, the adoption of integrated approaches in all reports produced by the organization.

14. *Please provide any other comments you have about Section 3E.*

Paragraphs 3.30-3.32:

Recommend that organizations provide auditable information on the processes and assumptions involved in obtaining the information, principally when no measurable data can be presented.

Justification: Paragraph 3.32 states that, in certain cases, it may be appropriate for organizations to describe the mechanisms they have used to ensure their information is reliable. We need to point out that the value of information depends, to a great extent, on its reliability. On the other hand, reports are frequently shot through with subjectivity. Even if the information does not contain any objective data, it is always vital to disclose the mechanisms used to ensure that the information being reported is reliable, has been prepared using reasonable and consistent criteria and should be considered "the best information available".

Encourage organizations to present the different levels of reliability for the information they disclose. Organizations should state which information has been estimated, the level of subjectivity and their ability to obtain objective measurement. It is very important to state the criteria used when obtaining information that is more subjective or difficult to measure.

Paragraph 3.34:

State the frequency in which forecasts are reviewed, i.e. the length of time before forecasts are reviewed, updated and commented on, accompanied by and explanations about the differences between forecasts and actual results (following the approach used for financial guidance).

Establish methods for more frequent forecasting and updating, rather than issuing forecasts and updating it only with each new report.

Paragraph 3.36:

In this paragraph, we should explain that to ensure the information disclosed is complete, organizations should explain the specific characteristics of their business, industry references and other issues referred to previously.

Paragraph 3.39:

Explain that the relevance of any information disclosed is directly linked to its materiality. The greater the materiality, the greater the need for disclosure. Therefore, information of greater materiality must be disclosed, independent of the costs of measuring and obtaining it.

Justification: For readers of the integrated report, the most important information is the most material information. Paragraph 3.39 states that an organization should evaluate the cost and benefits of disclosing information. When doing so, they should define the scope, level of specificity and accuracy of the information to be disclosed. However, we do not recommend the non-disclosure of material information simply because of the possible costs involved.

Paragraphs 3.42-3.45:

Mention that omitting information could harm the company's image and that a company should always provide coherent and consistent justifications when unable to furnish data.

Exclude the expressions "commercial" and "commercially", to include non-commercial but equally sensitive information.

Explain how, without violating the principle of transparency, companies can select sensitive information which will not be disclosed because it may affect their competitiveness and strategy or unduly expose certain persons involved or their privacy (for example, individual results of directors performance assessments would probably not be published). To strike a balance, in paragraph 3.42 we could include guidance on selecting criteria for identifying what may be considered sensitive information and, as a result, will not be disclosed when reporting. In other words, the document should provide organizations with guidance on disclosing relevant information to investors and other stakeholders while, at the same time, protecting the business and the individuals involved (by not disclosing confidential or sensitive information).

Justification: Without this recommendation, there is a significant risk that organizations will not disclose any material information at all, arguing that all sensitive information is confidential. As a result, reports from some organizations could end up simply presenting boilerplate and non-relevant information. There is also significant risk that confidential information could be disclosed and put the business or certain individuals at risk. Organizations need methods they can use to evaluate confidentiality and, at the same time, the relevance of the information.

Other

15. Please provide any other comments you have about Chapter 3 that are not already addressed by your responses above.

General Aspects

Chapter 3 is very well written and the content is well structured. However, we would question whether the recommendations can be enforced by organizations as they stand.

Paragraph 3.3:

Include an additional item when explaining the role of those in charge of Corporate Governance dealing with the use of capitals and the impact organizations have on them.

Paragraphs 3.10 and 3.11:

Transfer the item on financial information from paragraph 3.11 to paragraph 3.10, as one of the elements of information connectivity.

Justification: The principle of interconnection, presented in section 3B, states that the integrated report should present the interconnection and dependency between components that are material to creating value over time. Paragraph 3.10 states that the key components of information connection are: (i) the elements of the content, (ii) the past, present and future. Paragraph 3.11 presents further connectivity components (including financial and non-financial information). This suggestion presumes the importance of financial information for providers of financial resources, so they are able to evaluate their investments in terms of value creation.

Paragraph 3.12:

Explain to organizations that the integrated report should connect information from a wide variety of published documents and should not necessarily be a new, stand-alone report. This would emphasize the importance of integrated thinking, encouraging each organization to assess how information resulting from integrated thinking will be disclosed (in a single report or based on the interconnections between existing reports).

Justification: Paragraph 3.12 states that information connectivity and the adoption of an integrated report are preferable when the report is logically structured, correctly presented, written in clear language and includes navigational tools.

Chapter 4: Content Elements

16. Please provide any comments you have about Chapter 4 that are not already addressed by your responses above (please include comments on the Content Element Business Model [Section 4E] in your answer to questions 7-9 above rather than here).

General Aspects

Put section 4G, which deals with future outlooks, closer to the beginning of chapter 4.

In chapter 4, recommend that organizations provide information about ongoing training or acculturating initiatives for their staff that is related to integrated thinking.

In chapter 4, inform that companies might disclose information about the organization produced independently by third parties, whenever this information is judged relevant by

the company for the report..

Justification: The integrated report might be more complete presenting users with a compilation of information produced by third parties and organizations themselves believe is relevant. There is information prepared and disclosed by its various stakeholders available on the market. For example, this type of information can be found in credit rating reports, investment analyst reports, a range of statistics (including industry rankings/ratings), positions in industry relevant rankings, the quantity and type of customer complaints, and so on.

Also recommend that organizations assess in advance which information available on the market is considered relevant and can be consistently presented periodically over time.

Justification: This recommendation is an attempt to avoid "cherry picking".

Paragraph 4.20:

Include an additional topic recommending disclosure of information on the organization's posture towards environmental and social limitations (scarcity of natural resources, global warming, pollution, waste, etc.).

Paragraph 4.22:

In the fourth topic, emphasize the importance of providing information on social and environmental externalities.

Inform that companies might disclose information about the organization's image based on the opinion of its stakeholders (measured using surveys and other methods), whenever judged relevant by the company for the report.

Paragraph 4.23:

In the fourth topic, mention the direct and indirect impacts on all capitals as well as other factors interfering with the aforementioned external environment.

Paragraph 4.25:

Provide more detailed information so that the current status of all organizations can be assessed.

Justification: Paragraph 4.25 states that certain organizations are made up of multiple divisions or segments, managed by a central division. In these situations, the Framework states that user assessments could concentrate more on managing investments than on the business models used in individual segments. This statement only applies to organizations with highly granular distribution of relevant businesses. In other situations, users of the integrated report will not be provided with highly relevant information if the organization is restricted to only reporting on one activity which is believed to be central to its business.

Paragraph 4.28:

Include a recommendation that companies should use financial information as one of several performance indicators.

Justification: The integrated report should state to what extent an organization has achieved its strategic objectives and what the effect has been on the various capitals (paragraph 4.27). Given the importance of financial information when investors are trying to assess the creation of financial value, it seems appropriate to include this

information as an indicator of the organization's performance.

Paragraph 4.31:

Include a recommendation that quantitative indicators should be chosen based on the Guiding Principles in the Framework, putting greater emphasis on an integrated overview.

Include a recommendation that organizations should state the indicators they have chosen in order to measure the information disclosed.

In the fifth topic, emphasize the fact that forecasts and projections should be produced with caution and should be periodically updated and reviewed. Recommend that organizations present a disclaimer, explaining that external factors may interfere with their businesses and, as a result, forecasts and projections may not be achieved.

Justification: This disclaimer should avoid any harm being caused to an organization's image if forecasts or projections do not come to fruition.

Paragraph 4.34:

Include a recommendation to also cover social and environmental issues when issuing forecasts or projections.

Paragraph 4.35:

Include a recommendation to produce and disclose various possible scenarios, based on the different variables involved.

Chapter 5: Preparation and presentation

Involvement of those charged with governance (Section 5D)

Section 5D discusses the involvement of those charged with governance, and paragraph 4.5 requires organizations to disclose the governance body with oversight responsibility for <IR>.

17. *Should there be a requirement for those charged with governance to include a statement acknowledging their responsibility for the integrated report? Why/why not?*

Yes.

We need to make sure the Board of Directors is involved with the report, to guarantee that there is a connection between the information presented and the organization's strategy and to ensure the Board takes responsibility for selecting the processes adopted and ensuring their efficiency.

18. *Please provide any other comments you have about Involvement of those charged with governance (Section 5D).*

Paragraphs 5.17 and 5.18:

Include more information and discussions on management and director's responsibilities and the limits of these responsibilities. These discussions could also provide further information for regulators for rules governing these issues.

Recommend that those in charge of corporate governance use processes that allow them to back up reported information with evidence and ensure that internal controls are effective.

In paragraph 5.18, include a warning for those in charge of Corporate Governance about the possible repercussions of willfully disclosing false or incorrect information and reports, such as legal charges and pressure from the market.

Credibility (Section 5E)

The Framework provides reporting criteria against which organizations and assurance providers assess a report's adherence (paragraph 5.21).

19. If assurance is to be obtained, should it cover the integrated report as a whole, or specific aspects of the report? Why?

Paragraph 5.21:

Recommend that assurance processes for the integrated report encompass the various stages of producing the report in order to adhere to <IR>:

Creating a process to implement <IR> fundamentals

Implementation activities for this process

Reports resulting from this process

20. Please provide any other comments you have about Credibility (Section 5E). Assurance providers are particularly asked to comment on whether they consider the Framework provides suitable criteria for an assurance engagement.

Paragraph 5.19:

Rewrite the beginning of the paragraph: replace "Organizations use a variety of internal Mechanisms...", with "Organizations should use a variety of internal mechanisms..."

Describe situations that may present full or partial report assurance, as assurance may not be possible for some items and total assurance may be very expensive for some organizations, making it impossible for them to adhere to <IR>.

Explain whether assurance should or should not include external documents and reports linked to the report.

Other

21. Please provide any other comments you have about Chapter 5 that are not already addressed by your responses above (please include comments on the materiality determination process [Section 5B] in your answer to question 11 above rather than here).

Paragraph 5.2:

Recommend the latest date for disclosing information in the integrated report (specifying a number of months after the fiscal year has been concluded) using either a new document or the various existing reports.

Section 5B:

Recommend that the identification of material aspects should not be based only on measurable criteria (financial and other data), but also on non-measurable aspects. These materiality criteria should be defined using the pillars established by each organization, as per the guidance in paragraph 5.5.

Paragraph 5.4:

In paragraph 5.4, include the following underlined segment: “Relevant matters are those that have a past, present or potential future effect on the organization’s ability to create value or cause impact over time”

Paragraph 5.7:

Provide examples of how magnitude can be assessed, based on the instructions provided.

Paragraph 5.8:

Provide examples of situations in which a qualitative evaluation may be appropriate.

Paragraph 5.11:

Include recommendations that factors having a major impact should be considered relevant, even if they are unlikely to occur.

Provide examples of situations that organizations should take into account, based on the content of the graph.

Paragraph 5.13:

Change the position of this paragraph, including it in item 5C.

Paragraph 5.25:

Expand the discussion on reporting boundaries, based on the assumptions used by the GRI.

Change the text of the last topic so that it ends as follows: “... to create value or to cause impact over time”

Paragraph 5.31:

Forecast and explain some of the basic criteria requiring disaggregation when presenting certain information: Size, direct access to the capital markets; business contribution to the overall results of the group.

Paragraph 5.32:

Present examples of two situations: One showing information that should be aggregated and another showing information which should be disaggregated.

Section 5F:

Provide guidance on how to define short, medium and long-term periods so that they are not arbitrary or erroneous. Recommend that these definitions should be based on the logic adopted by each organization and should correspond to the definitions used in

Strategic Planning, taking into account the relationships between the different types of capital involved.

Recommend that organizations explain what they understand to be short, medium and long-term and how they arrived at these definitions.

Provide a guide and practical examples to avoid "one year" being defined as long-term by some organizations.

Paragraphs 5.40 and 5.41:

Rewrite the text to avoid specifically mentioning the XBRL, but provide a generic recommendation that organizations use similar, internationally recognized mechanisms.

Justification: This change will avoid the framework becoming "dated" and having to be updated in order to mention any other platforms that may appear.

5G - Reporting Boundary

This section practically deals only with the relationship of <IR> with financial reporting, but no guidance to the relationship with the non-financial one. This needs to be developed before the Framework launch, otherwise its "integrated" characteristic will be seriously damaged - running the risk of being perceived as, basically, an upgraded financial report. There needs to be some guidance on how to merge the results of different materiality approaches (financial and non-financial), for instance.

Overall view

22. Recognizing that <IR> will evolve over time, please explain the extent to which you believe the content of the Framework overall is appropriate for use by organizations in preparing an integrated report and for providing report users with information about an organization's ability to create value in the short, medium and long term?

Development of <IR>

23. If the IIRC were to develop explanatory material on <IR> in addition to the Framework, which three topics would you recommend be given priority? Why?

Materiality

Practical examples of how information should be presented in an integrated report, as opposed to how they would be presented in a non-integrated report (provide two sample reports from a fictitious company, each using one of these methodologies for comparison purposes).

Define time frames (short, medium and long-term)

Other

24. *Please provide any other comments not already addressed by your responses to Questions 1-23.*

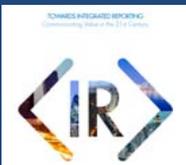
Explain how organizations should define which information is considered strategic and/or confidential and, as such, is not disclosed in their reports.

Explain that the integrated report can be presented as a number of different reports containing connected information, and not only as a new, stand-alone, report.

In the glossary, include a definition of "value", which is extensively used throughout the framework.

Give greater emphasis to integrated thinking as opposed to a separate report.

Provide further content on management responsibilities.



The International <IR> Framework - Public Consultation
Brazilian Commission for <IR> communication
GT 1 - Exposure Draft | Coordinated by Ernst & Young Brazil (Meire Ferreira) | April-July, 2013

Brazilian Commission for the IIRC Communication

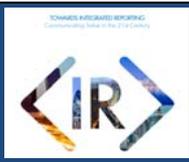
Brazilian Commission for the IIRC communication in the country is an initiative organized by Prof. Nelson Carvalho and Vânia Borgerth from BNDES (Brazilian National Development Bank) which has been coordinating the activities'group since December 2012. The main objective of the commission is to keep the Brazilian market informed about IIRC activities and its evolution in order to avoid surprises and/or resistance from organizations when it will be a framework applied by companies. More than 170 people are engaged and represent more than 70 organizations in Brazil (Academia, Companies, Professional Bodies, Accountability, Policy makers, NGO's, Consultants, Assurance providers, Investors, Financial agents among others). Five working groups are working on: (1) Framework comment consolidation process, (2) Communication with stakeholders, (3) Pioneers companies reporting non financial data towards integration data, (4) Relationship and Communication with investors, (5) Road show with investors as well as Boarders and C-Suite level in order to let them know about The IIRC platform and its purpose.

Collection of comments on the prototype of <IR> framework

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16 Fabiana V. Galvão	Schneider Electric	36 Maria Ribeiro	Banco do Brasil	56 Vinicius Cataldi	Sustainability Report
17 Fernando Figueiredo	CDP&CDSB	37 Marisa Morais	CFC	57 Viviane Vianello	Banco Santander
18 Francisco Bulhões	CCR	38 Meire Ferreira	Ernst & Young Brazil	58 Wagner Siqueira Pinto	Banco do Brasil
19 Gardenia Braga	CFC	39 Melissa Sawaya Hirschheimer	EQAQ		
20 Giovana Pasqualin	Itaú-Unibanco	40 Michael Karlin	CEBDS		

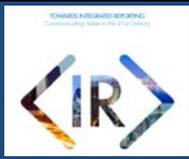
*Some comments were originally written in **Portuguese**; therefore, they were translated to English. Throughout the report all translations are in **red** right below the original comment in Portuguese.*



International Integrated Reporting Council (IIRC) - Comment process for
 Prototype of The International <IR> Framework
 Brazilian Commission for <IR> Communication

GT 1 - Exposure Draft | Coordinated by Ernst & Young Brazil (Meire Ferreira) | April-July, 2013

Framework section/Content	Page	From the line	Page	To the line	Comments		
Overview	6	1.3 line 8	6	1.3 line 12	It needs to be clear that the IR is voluntary and as such, it cannot be the primary vehicle for the disclosure of material information, analysis and interpretation that pertains to the company's value creation. Such information needs to have been previously disclosed in the public company's main mandatory disclosure document such as the 10-K in the US. Disclosure of such information in a voluntary document would betray the fundamental principle of fair disclosure meaning that all aspects that are fundamental to a business' value creation should be first and foremost discussed in the company's mandatory filings even if such information is not specifically required by the regulator. Thus, the integrated report's main value is conciseness which facilitates communication with investors. It cannot be the primary vehicle for integration.	Point of view	
Overview	9	1.16 line 24	9	1.16 line 27	Obviously if integrated thinking was already a practise in most institutions, integrated reports would follow automatically and talking about them would be waste of time.		
Overview	9	1.18 line 8	9	1.18 line 8	It must be clear that a "stand-alone" integrated report does not replace the company's mandatory disclosure report, its main integrating vehicle where instead of conciseness, which sometimes simplifies complex issues, thorough explanations will be provided.	Point of view	
Overview	9	1.20 line 5	9	1.20 line 10	To achieve conciseness, strategic focus and future orientation, connectivity of information etc. all information needs to be well analyzed, interpreted and evaluated. However, this process, that is, the company's perspective, insights and judgement is what gives data, explanation and descriptions meaning, which is material information and thus should be included in mandatory filings-the focus of the company's integrated thinking.		
Overview	9	1.18 line 7	9	1.18 line 10	<IR> is a "process"... How could be this process? How to fit the <IR> essence into a corporate structure?	It is underta important to i improve this seems that a financial syst nowadays an process.	
Overview	8	7 (item 1.9)	8	7	The word "story" seems very reductionist to describe the reason and meaning of an <IR>. "Description" seems a better word. Meaning of the word "description" by Thefreedictionary: 1. The act, process, or technique of describing. 2. A statement or an account describing something; published a description of the journey; gave a vivid description of the game. 3. A pictorial representation; Monet's ethereal descriptions of haystacks and water lilies. 4. A kind or sort: cars of every size and description.	Even the prin organization's the framework terms of imp "story" that c to describe h business mo investors as t	
Overview	9	4 (item 4) 7 (item 1.17)	9	4 7	The word "uses" should be substituted by "depends" or "access".	Even "use" is should consk as dependen capitals. It se "depends".	
Overview					1. Should any additional principles-based requirements be added or should any be eliminated or changed? If so, please explain why. No. 2. Do you agree with how paragraphs 1.18-1.20 characterize the interaction with other reports and communications? Yes, but should not create another report when a sustainability report already exist. The sustainability report should become the investor version of IR. Why: avoid another report and the risk of not be done. 3. If the IIRC were to create an online database of authoritative sources of indicators or measurement methods developed by established reporting standard setters and others, which references should be included? The Natural Step framework and system conditions. Why: the best way to define material issues for business and society! GRI indicators. Why: the most known indicators for business nowadays.	Point of view	
Overview	6		22	6	26	Considerando todos os atributos presentes no <IR>, sugiro que o relato seja primordialmente elaborado para a sociedade, tendo um enfoque voltado para os provedores de capital financeiro. Logo, o texto seria: "O Capítulo 1 inclui também a definição de <IR> e de um relatório integrado (parágrafos 1.2-1.3), e requer que um relatório integrado deveria ser elaborado: (i) de acordo com este Quadro (parágrafo 1.4), e (ii) primordialmente para a sociedade, com enfoque nos provedores de capital financeiros (parágrafo 1.6)." Considering all the attributes present in <IR>, I suggest that the report being primarily developed for the society, focus toward the providers of financial capital. Thus, the text would be, "Chapter 1 also includes the definition of a integrated reporting <IR> (paragraphs 1.2-1.3) and requires that a integrated reporting should be prepared (i) according to this framework (para 1.4), and (ii) primarily to society, focusing on providers of financial capital (paragraph 1.6)."	
Overview					1. Should any additional principles-based requirements be added or should any be eliminated or changed? If so, please explain why. No, but the importance of this principles should be emphasized in order to give a very clear direction that companies should follow. In Brazil there are many sustainability professionals as well as communication agencies thinking on how to figure out to fit the NFI reports to an integrated communication when the primordial value added by <IR> is the drive for companies to reflect and/or rethink their business model as well as establish its materiality issues (a vision of an <IR> as a "process" here should be very clear in order to guarantee the Principle-based requirements). 2. Do you agree with how paragraphs 1.18-1.20 characterize the interaction with other reports and communications? Yes, but again it seems very important to consider how the <IR> framework will be applied by companies. The links to other reports and communications can reduce significantly the value added by <IR> "process". It is essential to emphasize consistency and coherence among the reports and communication considering the <IR> guidance in order to avoid the opposite effect that can make <IR> just a summary of links to other corporate reports and communications even considering the conciseness, strategic focus and future orientation, the connectivity of information, the capitals, the business model, the ability to create value in the short, medium and long term. In summary, the effort should guarantee the use of the <IR> framework to guide companies being more transparent and conscious about its environmental footprints as well as societal impacts seeing this as a process for manage and report risks and opportunities of business sustainable growth. 3. If the IIRC were to create an online database of authoritative sources of indicators or measurement methods developed by established reporting standard setters and others, which references should be included? GRI, SASB, EFFAS (The European Federation of Financial Analysts Societies), DJSI, Sectors indicators adopted by organizations such as Cement Sustainability Initiative (CSI) by World Business Council for Sustainable Development (WBCSD), CDP among others.	Point of view	
Overview					1. Should any additional principles-based requirements be added or should any be eliminated or changed? If so, please explain why. o Deve haver mesmo vários relatórios ou só um? – deixar aberto para a possibilidade de vários relatórios pode fazer com que a integração e conexão das informações se perca. o 1.6 – acréscimo de órgãos reguladores (conformidade). o 3.22 – A concisão solicitada pelo relato integrado contrasta com as tendências de GRI, CDP, PRI e NCD (Natural Capital Declaration) quanto à necessidade de se detalhar a cadeia de suprimentos e de investimentos, o modelo de governança e gestão das organizações. Sugestão: Alinhamento do IR com estas iniciativas, na tentativa de formatos mais concisos. o 3.48 – Comparabilidade: indicadores mínimos gerais e por setor – IIRC (IR). o 4.21 – O modelo de negócio da empresa e sua resistência podem ser identificados nos itens 4.10, 4.13 e 4.18. o 4.33 – Os desafios e incertezas que podem afetar o desenvolvimento da estratégia da organização e desempenho futuro já estão inseridos no item 4.13. o Trade-off entre concisão e completude. o There should be even several reports or just one? – Let it open to the possibility of multiple reports may bring about loss of integration and connection of information. o 1.6 – Increase of regulatory (compliance). o 3.22 – The brevity required by the integrated reporting contrasts with GRI, CDP, PRI and NCD (Natural Capital Declaration) trends on the need to drill down the supply chain and investment, governance model and organizations' management. Suggestion: IR alignment with these initiatives in attempt to more concise formats. o 3.48 – Comparability: minimum general indicators by sector – IIRC (IR). o 4.21 – The company business model and its resistance can be identified in items 4.10, 4.13 and 4.18. o 4.33 – Challenges and uncertainties that may affect the development of the organization's strategy and future performance are already in item 4.13. o Trade-off between brevity and completeness	Point of view	
Overview					2. Do you agree with how paragraphs 1.18-1.20 characterize the interaction with other reports and communications? o 1.18 – A extensão do relato integrado a todas as comunicações relevantes da organização é uma idealização difícil na prática, quando cada espécie de comunicado se restringe a um destinatário específico ou a um assunto restrito, na maioria das vezes. Enquanto as exigências do IR evidentemente se voltam mais a um relatório anual destinado a todas as partes interessadas. o 1.20 – Ok, exceto quanto à concisão solicitada com comentário acima no item 3.22. o Na sentença "As organizações podem fornecer relatórios e comunicações adicionais (como declarações financeiras e relatórios de sustentabilidade) para fins de conformidade ou para atender a necessidades de informações específicas de diversas partes interessadas" na minha visão passa a impressão de que o framework tem a intenção de autorizar ou não algum padrão. Além disso, menciona outros tipos de relatos os quais acredito irem de encontro ao pretendido. A exclusão da sentença destacada não me parece comprometer o resultado almejado. o 1.18 – Extension of integrated report with all relevant communications of the organization is a difficult in fact idealization, when each kind of statement is restricted to a specific recipient or a restricted subject the most. While the requirements of IR course turn over an annual report to all stakeholders. o 1.20 – Ok, except for brevity requested to comment on the above item 3.22. o In the sentence "Organizations can provide additional reports and communications (such as financial statements and sustainability reports) for compliance purposes or to meet specific information needs of different stakeholders" in my view it seems that the framework is intended authorize or prohibit any standard. Moreover, mention other kinds of reports which I believe go against intended. Deleting the highlighted sentence does not seem to compromise the desired result.	Point of view	
Overview					3. If the IIRC were to create an online database of authoritative sources of indicators or measurement methods developed by established reporting standard setters and others, which references should be included? o Referência setorial é fundamental para que a metodologia utilizada, bem como as informações levantadas sejam materiais e efetivamente utilizadas pelos investidores. Também é fundamental que haja padronização das informações no tempo e entre empresas, facilitando a comparabilidade dos dados e sua análise. o Exemplos: KPIs for ESG 3.0 (EFFAS).		
Overview					2. Do you agree with how paragraphs 1.18-1.20 characterize the interaction with other reports and communications? Paragraph 1.18 affirms that the integrated report must serve as the base for the overall communication process of a company. Additionally, an integrated report must be disclosed representing an improvement of the annual report. We do not agree with the disclosure of one more report. What should be clear is if the integrated report aims to replace a set of reports already disclosed (such as the annual report, sustainability report, among others).		



International Integrated Reporting Council (IIRC) - Comment process for
 Prototype of The International <IR> Framework
 Brazilian Commission for <IR> Communication

GT 1 - Exposure Draft | Coordinated by Ernst & Young Brazil (Meire Ferreira) | April-July, 2013

Framework section/Content	Page	From the line	Page	To the line	Comments
Overview					<p>1. Should any additional principles-based requirements be added or should any be eliminated or changed? If so, please explain why. On paragraphs 1.11-1.12, can add advantages of framework to help the <IR> process, showing the importance of analyzing information to optimize resources, concentrate in abstraction of solutions, and other. Companies should have an interpretative point of view and not just descriptive.</p> <p>2. Do you agree with how paragraphs 1.18-1.20 characterize the interaction with other reports and communications? Yes, but the last phrase of paragraph 1.18, which states that "The integrated report may include links to these other reports and communication" can reference to see Chapter 5I - Use of Technology as it shows different uses of technology such as web-based media and XBRL. It may add a comment about XBRL, which is one possible standardized platform to be used. As it states on page 25, "Beneficial characteristics of XBRL that improve connectivity are consistent semantic definitions of, and explicit relationships between, information in an integrated report. Capturing an integrated report in machine-readable format also allows the intended report users to more easily compare".</p> <p>3. If the IIRC were to create an online database of authoritative sources of indicators or measurement methods developed by established reporting standard setters and others, which references should be included? On paragraph 1.13 it states that "The requirements of the Framework are principles-based and do not focus on rules for measurement or disclosure of individual matters or the identification of specific key performance indicators (KPIs). Senior management and those charged with governance therefore need to collectively exercise judgement to determine which matters are material. They also need to ensure material matters are appropriately disclosed given the specific circumstances of the organization, including the application of generally accepted measurement and disclosure methods as appropriate." So, since it is principles-base, in terms of International Accounting Board it can use IFRS and Local Brazilian Accounting Board (CPC's) it can use NBCT, UN organisms, GRI Indicators (G4), industry regulators (banking, securities, extractive) and associations.</p>
Overview					<p>1. Should any additional principles-based requirements be added or should any be eliminated or changed? If so, please explain why. - The principles are comprehensive and applicable to a range of businesses and organizations appropriately, there is no need to add / remove principles - Suggestion: the alignment with other frameworks, both financial and non-financial, is essential to avoid duplication of efforts. - With regard to the requirements: - More information is needed to explain non-compliance with the principles - More information is needed about whether and how compliance and evaluation will be performed (external audit? IIRC?).</p> <p>2. Do you agree with how paragraphs 1.18-1.20 characterize the interaction with other reports and communications? - We agree, but the IR should be a roadmap to other communication formats. We suggest that the word "story" has descriptive connotation and perspective of the business model in light of organizational processes and not just another piece of communication, i.e., parameters converge different guidelines - should be strategic and contain other patterns existing in future.</p> <p>3. If the IIRC were to create an online database of authoritative sources of indicators or measurement methods developed by established reporting standard setters and others, which references should be included? GRI, SASB, CDP, ISO, AA1000, ICMM, IPIECA, PRI, PSI, Equator Principles, Global Compact. Important not to repeat the fragmentation of the business model, as occurred with ISO 9000.</p>
Overview					<p>1. Should any additional principles-based requirements be added or should any be eliminated or changed? If so, please explain why. No. Our opinion is they should be further refined as the framework evolves in terms of clearer definitions of concepts.</p> <p>2. Do you agree with how paragraphs 1.18-1.20 characterize the interaction with other reports and communications? The very first sentence of section 1.18 is unclear: "the IR process is intended to be applied continuously to all relevant reports and communications, including analyst calls (??) and the investor relations section of an organization's website." - The IR Process being "Integrated Thinking" (this is our understanding of the beginning of the statement). - That said, this statement is confusing. It is unclear how this will be verified aside from predicting that companies that manage to apply "Integrated Thinking" to everything (as the statement above seems to suggest) will most likely produce the best stand-alone (as the following statement in 1.18 points out next) IR reports. Our initial thought/understanding was that the IR should replace (in the medium-run) either one or both of the aforementioned documents (Financial Statements, Sustainability Reports) and not represent an additional report - so, in this sense (and in the medium to long-run), we do not agree with how the paragraph characterizes the interaction with other reports and communications. In the short-run, on the other hand, as companies still become familiar with the thought process and interaction of themes before treated separately, the idea of this "integrated web of documents" proposed in the paragraph through linking documents does make sense. But, care must be taken so as not to confuse the reader/intended audience by creating a reference chase. We are part of a number of working groups that are discussing the proposed framework for Integrated Report and we are listening that people are confused thinking that the IR is going to be another report, while our understanding is that it is not the case. We understand the IR as a process of integration of sustainability in companies' corporate processes and we think that this must be more clear in the document.</p>
Overview					<p>1. Should any additional principles-based requirements be added or should any be eliminated or changed? If so, please explain why. Não Não</p> <p>2. Do you agree with how paragraphs 1.18-1.20 characterize the interaction with other reports and communications? Parcialmente. Deve haver coerência e forte integração entre todos os relatos da instituição nos mais diversos meios de comunicação. A estrutura de capitais e o modelo de negócios são elementos da proposta do IR fundamentais para a integração com outros relatos produzidos. No entanto, considerando o princípio da materialidade e consciência, a proposta do IR preconiza que a materialidade seja definida em função das expectativas do provedor do capital financeiro o que pode prejudicar a integração com outros relatórios, como o relatório de sustentabilidade, cuja materialidade não é definida em função do provedor do capital financeiro, mas sim para toda a sociedade. Faz-se necessária também uma reflexão sobre o conjunto de indicadores praticados pelo mercado. Eles são suficientes para ilustrar a integração a qual o relatório se propõem? Partially. There must be consistency and strong integration between all institution's reports in several media. The capital structure and business model proposed by IR are fundamental elements for integration with other reports produced. However, considering the principle of materiality and consciousness, IR recommends that materiality be defined in expectations terms by provider of financial capital which may impair the integration with other reports, such as the sustainability report, which is not materiality defined according to the provider's financial capital, but to the whole society. It is necessary also a reflection on the set of indicators used in the market. are they enough to illustrate the integration proposed by the report itself?</p> <p>3. If the IIRC were to create an online database of authoritative sources of indicators or measurement methods developed by established reporting standard setters and others, which references should be included? GRI (GRI4) / ISO 26000 / PACTO GLOBAL / NOVOS ODS DA RIO+20/ PRI/ OUTROS (OCDE, G20, IFRS) GRI (GRI4) / ISO 26000 / GLOBAL COMPACT / NEW DIRECTIONS FROM RIO+20/ PRI/ OTHERS (OCDE, G20, IFRS)</p>
Overview					<p>1. Should any additional principles-based requirements be added or should any be eliminated or changed? If so, please explain why. The principles-based requirements presented on the Chapter 1: Overview are showed in a concise and strategic way that provides disclosed information even in the case of the unavailability of data. They provide value creation over time and must to be maintained. However, if the future brings changes in society, technology, economical and environmental scenarios, the <IR> due to be open to the creation of new principles-based requirements.</p> <p>2. Do you agree with how paragraphs 1.18-1.20 characterize the interaction with other reports and communications? I agree with how paragraphs 1.18-1.20 characterize the interaction among different reports and communications. All the information have to be complete, integrated, linked, connected, without any data duplication.</p> <p>3. If the IIRC were to create an online database of authoritative sources of indicators or measurement methods developed by established reporting standard setters and others, which references should be included? I don't think so. The IIRC aims to contribute to improving the global shared discussion in order to adequale the corporate reportings to a concise communication about how an organization's strategy, governance, performance and prospects, in the context of its external environment, lead to the creation of value over time.</p> <p>Other</p> <p>4. Please provide any other comments you have about Chapter 1. The global discussion about <IR> promotes, at the same time, the stakeholders integration on creating knowledge together and the diffusion of the knowledge about <IR>.</p>
Overview	9	1.18	9	1.20	<p>Importante enfatizar a necessidade de deixar bem claro que não se trata de um "novo relatório" e sim da elaboração das informações da empresa de forma "integrada". Um dos pontos que pode estar gerando essa "dúvida", acredito, seja derivada do termo "links to other reports and communications" (1.18 - 1.20). It is important to emphasize the necessity to be very clear that does not mean a new report and yes the elaboration of information from companies in an integrated way. One of the points that can be generating this doubts, I believe, is derived from the words "links to other reports and communications" (1.18 - 1.20).</p>
Overview	8	1.2	9	1.5	<p>The concept of integrated reporting is not clear as a process and brings some confusion when the term integrated report is used in the same definition I believe that in the structure in proposal the priority should be integrated reporting? Is there necessarily an integrated report in this stage? I suggest to be more affirmative in the main purpose of Integrated Reporting as a process in the beginning. I understood it better when I read the glossary. The timing of short, medium and long run should be well qualified the companies because this is crucial to the purpose of value creation.</p>
Overview	8	1.18	9	1.18	<p>The process of integrated reporting assumes that the companies will elaborate an integrated report. If so, it will clarify my doubts. The link between reports is extremely important, because in the present time it doesn't happen, mainly when we read both Financial Report and Sustainability Report.</p>
Overview					<p>1. Should any additional principles-based requirements be added or should any be eliminated or changed? If so, please explain why. The principles-based requirements presented on the Chapter 1: Overview are showed in a concise and strategic way that provides disclosed information even in the case of the unavailability of data. They provide value creation over time and must to be maintained. However, if the future brings changes in society, technology, economical and environmental scenarios, the <IR> due to be open to the creation of new principles-based requirements.</p> <p>2. Do you agree with how paragraphs 1.18-1.20 characterize the interaction with other reports and communications?</p>



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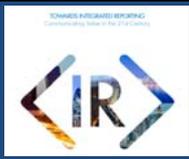
Framework section/Content	Page	From the line	Page	To the line	Comments
Overview					<p>1. Should any additional principles-based requirements be added or should any be eliminated or changed? If so, please explain why. Sobre os princípios de orientação sugerimos alinhar com os 10 princípios do GRI e os princípios do IFRS. Isso por que em alguns casos eles são os mesmos, porém escritos de maneira diferente. Também para esse alinhamento falamos alguns outros. <i>In relation to the guiding principles, we suggest aligning them with the 10 GRI principles and those of IFRS. This because in certain cases they are the same, but only written differently. This alignment would require certain other principles.</i></p> <p>2. Do you agree with how paragraphs 1.18-1.20 characterize the interaction with other reports and communications? Em parte, pois o relato integrado deve ser divulgado não apenas anualmente. O parágrafo 1.18 diz "...as organizações podem fornecer relatórios e comunicações adicionais – ao relatório integrado - (como declarações financeiras e relatórios de sustentabilidade)...". Relatório de sustentabilidade e declarações financeiras como complementos de um relato integrado? Relato integrado é a abordagem das demonstrações contábeis junto das informações ESG. Se for necessário um complemento adicional, como os citados no texto, o relato não será realmente integrado. Se os relatórios financeiros estatutários tem publicação trimestral então também o relato integrado deveria ter, neste caso o anual seria uma versão completa e no trimestral um resumo com as informações de maior impacto. <i>In part, because the integrated reporting should be disclosed not only annually. Paragraph 1.18 states "...the organizations may provide additional reports and communications – further to the integrated report - (such as financial assertions and sustainability reports)...". Sustainability report and financial assertions supplementing an integrated reporting is the approach of the financial statements together with ESG information. If an additional supplement is necessary, such as those mentioned in the text, the reporting will not actually be integrated. If the statutory reports are published quarterly, then the integrated reporting should also be issued on a quarterly basis, as such, the annual reporting would be a complete version and the quarterly reporting would be a summary with more impacting information.</i></p> <p>3. If the IIRC were to create an online database of authoritative sources of indicators or measurement methods developed by established reporting standard setters and others, which references should be included? Deveriam ser incluídas: GRI-G4, Ibase, ISE, DJSI, GHG Protocol, ISOs, IFRS e indicadores ou metodologia de instituições financeiras, sociais e ambientais, como o selo de construção verde (LEED). Falta uma explicação sobre o uso dos métodos de medição e de que esses devem refletir os aspectos materiais. O <IR> também não pretende definir um modelo, porém isso precisa ficar claro no texto. <i>The following should be included: GRI-G4, Ibase, ISE, DJSI, GHG Protocol, ISOs, IFRS and indicators or methodology of financial institutions, as well as social and environmental, such as the green construction seal (LEED). There should be inclusion of an explanation about use of the measurement methods and that they should reflect material aspects. <IR> does not intend to define a model either, however, this should be made clear in the topic.</i></p> <p>4. Please provide any other comments you have about Chapter 1. A tradução usa o termo relatório integrado. Sugerimos adotar relato integrado. Sobre o item 1.5 inverteria os parágrafos: O último seria o primeiro; o penúltimo seria o segundo; o segundo seria o terceiro e o primeiro seria o último. Trocaria a palavra "coesiva" por "coesão". Sobre o item 1.6 não concordamos com a afirmação de que o <IR> deve ser preparado primariamente para os fornecedores de capital. Até por que a visão é mais ampliada para os diversos públicos e capitais, especialmente por que esse mesmo documento aborda a materialidade e a responsabilidade dos públicos estratégicos retratados no documento como partes interessadas. No item 1.7 a afirmação inicial não é verdadeira. Isso se aplicaria somente aos tradicionais ITRs (Informe Trimestral) e FR (Formulário de Referência). Nos itens 1.2 até 1.4 deveria estar explícito que um dos objetivos do relato integrado é o vínculo das informações de natureza contábil-financeira com as socioambientais. No item 1.7 deveria deixar claro a que se refere cada tipo de público exemplificado, assim como foi feito no primeiro Pronunciamento Conceitual Básico do IFRS. No item 1.10 deve ser incluída empresa com fins lucrativos estatais, e também de economia mista. No item 1.14 incluir comparabilidade. No item 1.17 exemplificar os direcionadores de valor. <i>The transition uses the integrated report term. We suggest adopting integrated reporting. In relation to item 1.5, I would invert the paragraphs: The last would be the first, the penultimate would be the second, the second would be the third and the first would be the last. I would replace the word "cohesive" for "with cohesion". In relation to item 1.6, we do not agree with the statement that <IR> should be primarily prepared for capital suppliers. Also because the view is more comprehensive for several publics and capitals, especially because this document addresses materiality and responsiveness of the strategic publics described in the document as stakeholders. In item 1.7, the initial statement is not true. This would only apply to traditional ITR (Quarterly Information) and FR (Reference Form). In items 1.2 to 1.4, it should be expressly mentioned that one of the objectives of the integrated reporting is the link of financial-accounting information with social and environmental information. In item 1.7, I would clarify each type of exemplified public, alike in the first Basic Conceptual Pronouncement of IFRS. In item 1.10, there should be inclusion of government-</i></p>
Overview					<p>2. Do you agree with how paragraphs 1.18-1.20 characterize the interaction with other reports and communications? a. we do not agree that an integrated report has to be a separate stand alone report as explained above and we would therefore suggest that the words "In addition, it is anticipated that a stand alone integrated report will be prepared annually in line with the statutory financial reporting cycle" are deleted. b. we do not find the words "organizations may provide additional reports eg. financial statements, for compliance purposes" necessary. The fact is that organizations WILL continue to prepare such reports as are required for compliance purposes. We think what you might mean to say is that where there is a conflict between regulatory requirements and the IR Framework, or where the latter requires more than the former, the nature and effect of the conflict or difference should be explained. An example of such a conflict might include regulatory constraints on the provision of forward-looking information and the Framework's guiding principle of future orientation. c. in paragraph 1.19, rather than saying "the IIRC aims to complement material developed by established reporting standard setters..." we think the framework should say "material developed by established reporting standard setters complements the IR Framework by providing indicators, measurement tools and guidance that may help companies to implement integrated reporting..." d. in paragraph 1.20, we would not say that "IR differs from other reports and communications in a number of ways" – this is inconsistent with IR's messaging about prompting an evolution in reporting. In fact, much of the content required by the Framework is already required by and/or covered in existing reporting frameworks and company communications. We would say in paragraph 1.20 "IR builds on developments in financial and other reporting by taking existing content and adding an emphasis on conciseness, strategic focus, future orientation, connectivity, capitals, business model, value creation..."</p> <p>We hope that the next edition of the Framework or supplementary material will particularly explain the nature of the relationship between the IR Framework and financial statements and management commentary as well as the relationship between the IR Framework and the King Code of South Africa and one and two tier corporate governance regimes.</p>
Overview					<p>3. If the IIRC were to create an online database of authoritative sources of indicators or measurement methods developed by established reporting standard setters and others, which references should be included? We agree that such a database would be very helpful and we are in the process of developing such a database ourselves, which will be a free, public resource and will be made available to IIRC and others. Under our approach, it would not be necessary for the IR or CDSB frameworks to identify which sources of indicators etc. should be used for integrated or climate change reporting. Rather, the database would be populated and made available through an open or crowd sourced approach so that providers of measurement tools etc could "post" their tools in the database. Our database will be moderated to check proposed entries and at this stage in development no value judgment will be attached to the relative usefulness or reliability of each tool/indicator etc.</p>
Overview	9 1.18		9 1.20		<p>Importante enfatizar a necessidade de deixar bem claro que não se trata de um "novo relatório" e sim da elaboração das informações da empresa de forma "integrada". Um dos pontos que pode estar gerando essa "dúvida", acredito, seja derivada do termo "links to other reports and communications" (1.18 – 1.20). <i>It is important to emphasize the necessity to be very clear that does not mean a new report and yes the elaboration of information from companies in an integrated way. One of the points that can be generating this doubts, I believe, is derived from the words "links to other reports and communications" (1.18 - 1.20).</i></p>
Overview	8 1.2		9 1.5		<p>The concept of integrated reporting is not clear as a process and brings some confusion when the term integrated report is used in the same definition I believe that in the structure in proposal the priority should be integrated reporting? Is there necessarily an integrated report in this stage? I suggest to be more affirmative in the main purpose of Integrated Reporting as a process in the beginning. I understood it better when I read the glossary. The timing of short, medium and long run should be well qualified the companies because this is crucial to the purpose of value creation.</p>
Overview	8 1.18		9 1.18		<p>The process of integrated reporting assumes that the companies will elaborate an integrated report. If so, it will clarify my doubts. The link between reports is extremely important, because in the present time it doesn't happen, mainly when we read both Financial Report and Sustainability Report.</p>
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Overview					<p>2. Do you agree with how paragraphs 1.18-1.20 characterize the interaction with other reports and communications? a. we do not agree that an integrated report has to be a separate stand alone report as explained above and we would therefore suggest that the words "In addition, it is anticipated that a stand alone integrated report will be prepared annually in line with the statutory financial reporting cycle" are deleted. b. we do not find the words "organizations may provide additional reports eg. financial statements, for compliance purposes" necessary. The fact is that organizations WILL continue to prepare such reports as are required for compliance purposes. We think what you might mean to say is that where there is a conflict between regulatory requirements and the IR Framework, or where the latter requires more than the former, the nature and effect of the conflict or difference should be explained. An example of such a conflict might include regulatory constraints on the provision of forward-looking information and the Framework's guiding principle of future orientation. c. in paragraph 1.19, rather than saying "the IIRC aims to complement material developed by established reporting standard setters..." we think the framework should say "material developed by established reporting standard setters complements the IR Framework by providing indicators, measurement tools and guidance that may help companies to implement integrated reporting..." d. in paragraph 1.20, we would not say that "IR differs from other reports and communications in a number of ways" – this is inconsistent with IR's messaging about prompting an evolution in reporting. In fact, much of the content required by the Framework is already required by and/or covered in existing reporting frameworks and company communications. We would say in paragraph 1.20 "IR builds on developments in financial and other reporting by taking existing content and adding an emphasis on conciseness, strategic focus, future orientation, connectivity, capitals, business model, value creation..."</p> <p>We hope that the next edition of the Framework or supplementary material will particularly explain the nature of the relationship between the IR Framework and financial statements and management commentary as well as the relationship between the IR Framework and the King Code of South Africa and one and two tier corporate governance regimes.</p>



International Integrated Reporting Council (IIRC) - Comment process for
 Prototype of the International <IR> Framework
 Brazilian Commission for <IR> Communication

GT 1 - Exposure Draft | Coordinated by Ernst & Young Brazil (Meire Ferreira) | April-July, 2013

Framework section/Content	Page	From the line	Page	To the line	Comments
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Overview					<p>1. Should any additional principles-based requirements be added or should any be eliminated or changed? If so, please explain why.</p> <p>We wonder whether readers and users of the framework will understand the notion of "principles-based requirement". A "principles-based" approach provides a conceptual basis for reporting against particular objectives whereas a "requirement" is more in keeping with a rule with which reporters are required to comply. We wonder whether using "principles-based" and "requirement" in the same phrase mixes two concepts that are more helpful and instructive when kept separate. We suggest that what you might mean is that companies are required to apply the principles set out in the Framework for the purposes of complying with the requirements. You will see that in the CDSB Framework, reporters are required to apply the principles in determining, preparing and presenting disclosures in accordance with the requirements of the Framework. Therefore, in the case of the IR Framework, we would suggest for example, that rather than presenting connectivity as a requirement in paragraph 3.7, the principle of connectivity should be applied when conforming with all of the requirements of Integrated Reporting. In other words, the principles ARE NOT the requirements, but the principles inform the way in which the reporter conforms with the requirements.</p> <p>We observe that there is some duplication between the requirements as represented in black italic text. For example, the requirements at paragraph 4.5 (bullet 2) and 4.10 are both about the way in which the governance structure supports value creation. Similarly, there is duplication between the requirement at 3.2, which asks about the organization's strategy and 4.18, which asks about where the organization wants to go and how it intends to get there. There might be opportunities for the framework to be simplified and streamlined by reducing duplication between the requirements.</p> <p>We suggest that the requirement in paragraph 4.4 is deleted. Requiring companies to prepare a "stand-alone" integrated report arguably adds another report to existing reports. We appreciate that this might not be your intention, but some of our members have expressed serious concerns about the prospect of adding another layer to reporting in the form of an integrated report. We suggest that the IIRC should encourage the process of Integrated Reporting and integrated thinking to be applied to the production of all corporate communications. The outcome of the application of that process should be reflected in corporate reports in whatever format a company can or must present them given the regulatory context in which they operate and their own objectives and preferences for presenting information. This approach would not prevent companies from preparing a stand alone integrated report, but it would provide those that cannot or will not with the opportunity and flexibility to evolve their corporate reporting as intended by IIRC. At this stage in the development of Integrated Reporting, we think that the requirement to prepare a stand alone integrated report could be a barrier to participation. The CDSB Framework provides requirements that are to be applied for the purposes of preparing disclosures about climate change in mainstream reports. In other words, conformance with the requirements of the CDSB Framework does not involve the preparation of ANOTHER report; it is designed to encourage better reporting in existing reports. This approach means that the Framework is adaptable and can be adopted by national regulators or others as a means of encouraging decision-useful disclosures. For example, we can envisage the IIRC Framework being referenced by the EU as a means of compliance with the prospective amendments to the 4th and 7th Directives or by BIS in the UK as a means of compliance with the requirement to prepare a Strategic Report. Paragraph 1.18 actually suggests that this IS the approach you intend to take – "the IR process is to be applied continuously to all relevant reports and communications". We do not think you can have it both ways – ie. apply to the framework to all relevant reports AND require companies to prepare a stand alone report. We think it should be one or the other and the former is our preference.</p>
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Fundamental Concepts	10	2.3 line 3	10	2.3 line 12	<p>If the integrated report is going to "describe" and "measure" the material elements of value creation, it will not be a concise report. It needs to be performance focused, analytical, interperative and evaluative in order to give meaning (or the company's meaning).</p>
Fundamental Concepts	10	2.4 line 11	10	2.4 line 12	<p>The term "capitals" should be replaced by "inputs" to be consistent with 2.c, the terminology used in the Business model.</p>
Fundamental Concepts	10	2.5 line 16	10	2.5 line 18	<p>The company needs to state for the sake of transparency, in addition to its "mission" and "vision" what is its "purpose of the firm" i.e. if it exists to 1) maximize shareholder returns in the short, medium and long term or, on the opposite end of the philosophical spectrum, if its purpose is to 2) reach an equilibrium of stakeholder interests. If 1), it needs to state how it approaches issues regrading stakeholders interests and if 2), it needs to state what criteria it uses when faced with trade-offs between conflicting/opposing stakeholders interests. For example, if the company needs to cut wages to become more competitive will it privilege survival or will it privilege employees risking survival?</p>
Fundamental Concepts	10	2.5 line 16	10	2.5 line 18	<p>The company also needs to state clearly what is its value proposition for shareholders.</p>
Fundamental Concepts	10	2.6 line 19	10	2.6 line 21	<p>Comments should focus on the performance of governance rather than tediously repeating the governance structure - what matters is if governance works and adds value, not if you have an excellent governance structure.</p>
Fundamental Concepts	11	2b/2.12 line 3	14	2b/2.25 line 38	<p>I think this section should be eliminated. I disagree with stretching the term "capital" so much. I regard human, intellectual and social capitals as politically correct euphemisms that oppose the more generic term "labor" traditionally used when referring to all forms of human work. Such distinction, may reflect a condescending attitude towards manual/unskilled work - with which the term labor has become associated. Human, intellectual, social, technological, manufacturing and financial capitals are products of human work. Some result from the investment in production of knowledge overtime. This is not to say that companies should not discuss the availability, cost and ability to replace particular types of human work and that a company may have overtime build an ability to attract the types of human work it needs. The same goes for the availability of technology and financial resources. I just think we need to avoid coining new terms to express the same thing the generic term "labor" or human work do very well. The generic term for natural capital is "land". The only difference between what economists include in "land" is that 30-40 years ago "air" and "water" were not scarce resources and now we know they are.</p>
Fundamental Concepts	14	2C-2.26 line 42	14	2C-2.26 line 47	<p>A model is a typified structure, thus a business model is the "structure" that typifies and describes how an organization (a system) created with the intention of generating a monetary surplus (a business), uses inputs (land/labor) it purchases to produce an output (products/services) it sells at a profit/surplus. This surplus (operating cash flow generation in modern financial theory) is the value it creates to the owners of the business. This business may create value for society as a whole given its engagement in the supply chain that supports human life on earth today and what they forgo in the present in order to preserve the condition for the survival of life. We may not yet have all financial tools to measure this value today, but this is a challenge we must face and not give up the idea that we need to find ways of measurement.</p>
Fundamental Concepts	14	2C-2.28 line 25	2C-2.28	line 30	<p>We may not have the tools to measure intangibles today, but in order to have value they need to be grounded and affect tangible items. For example: brand is an intangible, but if it does not reduce customer acquisition costs; if it doesn't help the company have its voice heard by the regulator, etc. then what is the value of the brand? The same is true for knowledge, or employee happiness if it ultimately does not translate into a monetary figure, then it has no value.</p>
Fundamental Concepts	14	2C-2.28 line 38	14	2C-2.28 line 40	<p>If integration is to add value, what the company needs to show investors is how morale, motivation, diversity, key skills maintained with thorough training reflect in the company's finances, either by reducing costs or generating more revenues, increasing or preventing profits from decreasing, in the short, medium and long term. Otherwise good morale adds no value.</p>
Fundamental Concepts	15	2C-2.31 line 33	15	2C-2.31 line 33	<p>"success by initiative that influence the effectiveness (...) and management" impact the company's financial performance, in the short, medium and long term. If it doesn't impact the company's financial performance, what is the point of improving processes?</p>
Fundamental Concepts	15	2C-2.36 line 37	15	2C-2.36 line 46	<p>When referring to negative outcomes, the company should clearly state how much it spends in capex and opex to reduce the negative outcome thus making it clear to current investors how much it is reducing current profits in order to preserve the conditions for survival of life in the planet now and in the future and what impact this has, if any, on their current competitiveness and capacity for future expansion. So if the company pays for filters to reduce carbon emissions, hires experts to continuously measure them, those costs should be clearly identified and quantified and shown what profit& loss effect they have. The same is true for labor practices down the supply chain. I.e. the company needs to clearly identify the cost involved in checking on a continuous basis whether its suppliers hire child labor.</p>
Fundamental Concepts	16	2D-2.42 line 32	16	2D-2.42 line 36	<p>Everything affects the bottom line or cash flow generation even if today we are not capable of measuring adequately. Integration means showing how items we believe create value over time actually affect cash generation in the short, medium and long term.</p>
Fundamental Concepts Introduction	10	2A	10	2A	<p>Na introdução dos conceitos fundamentais, penso que pode ser uma oportunidade para portuar as diferenças e convergências entre relatório integrado e o relatório de sustentabilidade, assim como a relação destes com relatórios financeiros. Sinto falta desses complementos, que apresente de forma precisa as nuances e orientações de modo que contribua para o entendimento do que está sendo proposto pela iniciativa de relatórios integrados e ajude a empresa a saber exatamente o que está fazendo. Nesse ponto, valeria reforçar os desafios da iniciativa de que não se trata da junção de relatórios já existentes nas empresas, mas de uma proposta que visa a mudança de modelos mentais estabelecidos na gestão do negócio, ou de forma mais abrangente, uma mudança cultural. Valeria reforçar a diferença entre relato e relatório, estando assim mais evidente esta proposta.</p> <p>In the introduction to the basic concepts, I think it can be an opportunity to point out the differences and similarities between the integrated reporting and sustainability reporting, as well as their relationship with financial reports. I miss these additions, to present accurately the nuances and guidelines in order to contribute to the understanding of what is being proposed by the initiative of integrated reporting and help companies to know exactly what they're doing. It would strengthen the challenges that the initiative is not about uniting existing reports on companies, but a proposal to change mental models established in business management, or more broadly, a cultural change. Would strengthen the difference between reports and reporting, thus being more evident this proposal.</p>



Framework section/Content	Page	From the line	Page	To the line	Comments	
Fundamental Concepts The Capitals / Categories and descriptions of the capitals - Intellectual capital	12	2.17	12	2.17	A descrição do conceito de capital intelectual está sucinta e não oferece um claro entendimento. Sugiro um maior, mas breve, detalhamento, considerando os conhecimentos, experiências e informações adquiridos e acumulados sobre produtos, técnicas, metodologias e etc. de uma empresa por exemplo, que podem gerar valor, dependendo da forma que forem utilizados. The description of intellectual capital concepts is brief and does not provide a clear understanding. I come up with a larger and shorter detail, considering knowledge, experience and information acquired and accumulated about products, techniques, methodologies, etc. For example: a company that can create value, depending on how they have been used.	
Fundamental Concepts The Capitals / Categories and descriptions of the capitals - Intellectual capital	12	2.17	12	2.17	Penso que capital intelectual está fortemente relacionado a capital humano, pois se refere a conhecimentos inerentes a pessoas passados à empresa. O texto poderia contar com um complemento sobre essa relação. I think that intellectual capital is closely linked to human capital, as it refers to own people knowledge transferred to the company. The text it could count with a complement of this relationship.	
Fundamental Concepts 2A Introduction	10	5 (item 2.2)	10	5	The word 'uses' should be substituted by "depends" or "access".	Even "use" is should consist as dependen capitals. It se "depends".
Fundamental Concepts 2B The capitals	12	4 (item 2.17)	12	4	The word 'uses' should be substituted by "depends" or "access".	Even "use" is should consist as dependen capitals. It se "depends".
Fundamental Concepts 2B The capitals	12	30 (item 2.17)	12	32	"Reputation" means values, behavior, integrity and it is not a man made "product" as brand and corporate identity. Because of this should be treated also as a capital.	It seems a re mentioned in Brand and cc versa, but I th that generate society.
Fundamental Concepts 2B The capitals	13 13 14 14	7 (item 2.19) 5 (item 2.10) 1 (item 2.23) 7 (item 2.24)	13 13 14 14	7 5 1 7	The word 'uses' should be substituted by depends or access.	Even "use" is should consist as dependen capitals. It se "depends".
Fundamental concepts	11		12		2B The Capitals (Page 11 and 12) The stock and flow of capitals A geração de valor inclui a criação ou destruição de valor considerando externalidades (positivas e negativas) criadas a partir da atividade da empresa. O framework orienta quanto a indicadores quantitativos, como KPIs e métricas monetizadas para melhor explicar a causa-efeito dos vários capitais. Entretanto, não se trata de uma exigência podendo ser reportado de forma narrativa. A dúvida é como demonstrar na prática a transformação entre os capitais? Existem muitas inter-relações dos capitais. Ex.: Como apurar a geração de valor do capital financeiro no capital humano por conta da realização de treinamentos dos funcionários? Como fazer essas correlações? The value generation includes the creation or destruction value considering externalities (positive and negative ones) created from the company's activity. The framework provides guidance on quantitative indicators such as KPIs and metrics monetized to better explain the cause-effect of the many capitals. However, it is not a requirement. It might be reported in narrative form. The question is how to demonstrate in practice the transformation between the capitals? There are many inter-relations of capital. Eg: How to assess the value creation of financial capital in human capital due to the training sessions of employees? How do these correlations?	
Fundamental concepts	14		15		2C The business model (Page 14 and Page 15) Modelo de Negócios: quando temos uma holding que consolida diferentes empresas com linhas de negócios distintas, ex.: atividade bancária comercial, seguradora, investimento em empresas, a representação do modelo de negócios deve considerar a atividade da holding de acordo com a materialidade. Neste caso os inputs e outputs são distintos e a prestação de contas financeira é uma só. Como devemos refletir os inputs e outputs no modelo de negócios? Business Model: when we have a holding company that consolidates different companies with different lines of business, eg.: Commercial banking, insurance, investment companies, the representation of the business model should consider the activity of the holding according to materiality. In this case the inputs and outputs are distinct and financial accountability is one. How should we reflect the inputs and outputs in the business model?	
Fundamental concepts					Capitals 5. Do you agree with this approach to the capitals? Why/why not? Yes. Business Model 7 and 8. Do you agree with this definition? Why/why not? Yes.	
Fundamental Concepts 2B - The capitals - 2.12 - The stock and flow of capitals	11				Embora esteja descrito nos itens 2.19 e 2.21, a SUGESTÃO seria COMPLETAR o TEXTO do ITEM 2.12 com o seguinte: "Sugere-se tais categorias como referência, visando assegurar que as organizações não desconsiderem nenhuma das formas de capital". Although described in 2.19 and 2.21 items, my suggestion is to FULFILL the TEXT from ITEM 2.12 as: "It is suggested categories such as reference, in order to ensure that organizations do not disregard any of the forms of capital".	
Fundamental Concepts 2B - The capitals - 2.17 - Social and relationship capital	13				SUGESTÃO: Talvez fosse interessante detalhar o termo "social licence". Se, neste caso, LICENÇA aparece no sentido de se ter "permissão legal" ou no sentido de "a empresa ter credenciais sociais aceitas pela público externo". Suggestion: Perhaps it was interesting to detail the "social license" term. If, in this case, LICENSE appears in order to have "legal permission" or in the sense of "the company have social credentials accepted by the external public".	
Fundamental Concepts 2C - The business model - 2.28 - Inputs	14				...The importance of human capital may be reflected in a discussion of the morale, motivation and diversity of employees and how key skills are maintained, such as through training and development programmes." SUGESTÃO: Talvez completar o texto com "uma eficiente Gestão de Recursos Humanos, Programas de Retenção de Talentos, etc." Suggestion: It may complete the text as "an efficient Human Resource Management, Talent Retention Programs, etc".	
Fundamental Concepts 2D - Value creation - 2.43 - The meaning of value	16				...For example, the maximization of financial capital (e.g., profit) at the expense of human capital (e.g., through inappropriate human resource policies and practices) is unlikely to maximize value in the longer term". SUGESTÃO: Talvez também exemplificar que a "maximização do capital financeiro não pode se dar as custas do capital natural, por exemplo, degradando o meio ambiente" Suggestion: It may also exemplify the "maximization of financial capital cannot afford the expense of natural capital, for example, degrading the environment".	
Fundamental Concepts 2A Introduction 2.4	10				O item 2.4 faz referência a Figura 3 que trata da criação de valor de uma organização. Porém, sugiro que dentre os elementos referentes a entrada de valor fique: FINANCEIRO; FABRICADO; INTELECTUAL; HUMANO E RELACIONAMENTO; SOCIAL E AMBIENTAL. Logo, a sugestão para o item 2.4 é: " Os elementos de uma organização que interage com o ambiente externo e os capitais para criar valor através do tempo são apresentados no diagrama ampliado na Figura 3, como: financeiro; fabricado; intelectual; humano e relacionamento; social e ambiental. Estes elementos estão alinhados com os Elementos de Conteúdo de um relatório integrado (ver Capítulo 4). Item 2.4 refers to Figure 3 which deals with the creation of value for an organization. However, I suggest that among the element concerning the value entry remain: FINANCIAL; MANUFACTURED; INTELLECTUAL, HUMAN AND RELATIONSHIP, SOCIAL AND NATURAL. So the suggestion is to item 2.4: "The elements of an organization that interacts with the external environment and capital to create value by time are shown in the expanded diagram in Figure 3: financial, manufactured, intellectual, human and relationship, social and environmental. These elements are aligned with the Content Elements of an integrated report (see Chapter 4).	
Fundamental concepts					The Capitals (Section 2B) 5. Do you agree with this approach to the capitals? Why/why not? o Parece abrangente e atende todos os tipos de organização. Cada uma deve priorizar de acordo com setor e característica de negócio. o Sim, pois está baseado e fundamentado em teoria já existente e alta correlação sistêmica, favorecendo a integração destas informações. o Entretanto, o IR poderia ser mais específico sobre o reporte do capital humano. Não exatamente em que ele consiste, mas como deverá ser reportado, essencialmente quanto à medição de capacidades, habilidades e aptidões dos funcionários em suas contribuições. o It seems comprehensive and meets all kinds of organization. Each must prioritize according to business characteristics and sector. o Yes, it is based and grounded in an existing theory and high systemic correlation, favoring the integration of this information. o However, the IR could be more specific about human capital reporting. Not exactly where he is, but how it should be reported, mainly concerning the measurement capabilities, skills and abilities of employees in their contributions. 6. Please provide any other comments you have about Section 2B? Business Model (Section 2C) Sem comentários. No comments	



Framework section/Content	Page	From the line	Page	To the line	Comments
Fundamental concepts					<p>7. Do you agree with this definition? Why/why not? o Sim, as etapas de geração de valor estão claras. o Tem que incluir no modelo de negócios na parte de Governança, também as palavras Estrutura + Práticas. o Falta colocar Partes Interessadas mais claramente no modelo de negócios. o Colocar os princípios orientadores no desenho do modelo de negócios também. o Desenho muito tradicional – relato integrado deve mostrar um ciclo e não cartesiano com entrada – atividade – descarte (deveria ser um diagrama mais circular). o Modelo tem que incluir gestão de riscos e controles internos. o No modelo dos princípios orientadores e elementos de conteúdo, poderia inserir uma questão a mais no elemento de conteúdo de "auditoria" ou um princípio geral orientador que tudo tem que ser auditado. o Modelo de negócio- falta também uma retroalimentação dos capitais, muito que vai entra de volta de outra forma. Tem que explicar o que sai influencia o ambiente externo e como volta diferente para a organização. Volta diferente. o Definir mais detalhadamente o conceito do external environment, tudo que poderia ser uma diretriz de acordo com o business. Colocar mais informação no diagrama. o Incluir na figura da página 11: controles internos e gestão de riscos, relacionamentos, abrir a governança-estrutura e práticas. o Deve-se reforçar o ciclo e a sustentabilidade. A atual figura não apresenta dinamismo.</p> <p><input type="checkbox"/> Yes, the stages of value creation are clear. <input type="checkbox"/> Must include on Governance Business Model the words "Structure" and "Practice". <input type="checkbox"/> Must include "Stakeholders" more clearly in the business model. <input type="checkbox"/> Include the guiding principles in the design of the business model as well. <input type="checkbox"/> Very traditional design - integrated reporting should show a cycle, not with a Cartesian input - active - disposal (should be a more circular diagram). <input type="checkbox"/> The model must include risk management and internal controls. <input type="checkbox"/> In the guiding principles model and content elements, could be inserted a question over the content element "audit" or a general principle guiding that everything has to be audited. <input type="checkbox"/> Business model - also needs a capital's feedback, much that come returns otherwise. Should explain what goes influences the external environment and how it turns different to the organization. <input type="checkbox"/> Further define the "external environment" concept, everything that could be a guideline in accordance with the business. Include more information in the diagram. <input type="checkbox"/> Include in the page 11 figure: internal controls and risk management, relationships, open in governance - structure and practices. <input type="checkbox"/> Should reinforce the cycle and sustainability. The actual figure does not show dynamism.</p> <p>O Acreditamos que o peso dado à organização está muito elevado, ante as condições sistêmicas das relações. Sugestão de nova redação de modo que a organização seja consequência do todo, do seu contexto de negócios, e não determinante do sistema. "O modelo de negócios é determinado pela relação sistêmica dos capitais, onde a organização se molda para selecionar insumos, atividades de negócios, saídas e resultados, visando criação de valor no curto, médio e longo prazo." Há um investidor que não concorda com o modelo, porque apesar das atividades empresariais, produção e resultados serem itens indispensáveis para o reporte, entende-se que o conceito de modelo de negócios está associado à forma de condução de uma organização para a geração de valor, quanto à sua estratégia, operação, orçamento e relacionamento com suas partes interessadas. Temas já citados em outros itens. Neste sentido, o conceito de modelo de negócio utilizado no IR seria conotativo (complementar aos itens de negócio) e não denotativo (como normalmente é utilizado).</p> <p><input type="checkbox"/> We believe that the organization's importance is very high, compared to the conditions of systemic relationships. We suggest a new wording so that the organization will be a result of all of its business context, and not determining system. "The business model is determined by the ratio of systemic capital, where the organization is molded to select inputs, business activities, outputs and outcomes in order to create value in the short, medium and long term." There are an investor who does not agree with the model, because in spite of business activities, production and results are indispensable items for reporting, it is understood that the business model concept is associated with the conduction of an organization to generate value as to their strategy, operations, budget and relationships with its stakeholders. Themes already mentioned in other items. The insertion and the segregation between internal and external reinforces the vision of separate spheres of activity, I believe that to strengthen the integration idea it should not exist this segregation. Suggesting of a new wording. *The results are defined from the systemic consequences of generating value (positive or negative)</p> <p>8. Do you agree with this definition? Why/why not? o Sim, está tudo bem estruturado e divide entre resultados internos e externos, que poderiam ser entendidas como externalidades. o A inserção e segregação entre interna e externa reforça a visão de separação das esferas de atuação. Acredito que para reforçar a ideia de integração não deve haver esta segregação. Sugestão de nova redação: "Os resultados são definidos a partir de consequências sistêmicas de geração de valor (positivas ou negativas)." <input type="checkbox"/> Yes, everything is well structured and divided between internal and external results, which could be seen as externalities. <input type="checkbox"/> The insertion and the segregation between internal and external reinforces the vision of separate spheres of activity, I believe that to strengthen the integration idea it should not exist this segregation. Suggesting of a new wording. *The results are defined from the systemic consequences of generating value (positive or negative)</p> <p>9. Please provide any other comments you have about Section 2C or the disclosure requirements and related guidance regarding business models contained in the Content Elements Chapter of the Framework (see Section 4E)? Sem comentários. No comments</p>
Fundamental concepts					<p>The Capitals (Section 2B)</p> <p>5. Do you agree with this approach to the capitals? Why/why not? We agree with the approach to the capitals. However, we find it unnecessary for the company to disclose the reason if it considers any of the capitals as not material. Paragraphs 2.19 through 2.21 mentions that capitals serve as a benchmark and that a company may categorize capitals according to its own purposes. We believe this type of requirement may generate "pre-established" replies, such as "capital x is not material for the creation of value of the company over time".</p>
Fundamental concepts					<p>The Capitals (Section 2B)</p> <p>5. Do you agree with this approach to the capitals? Why/why not? Yes. There is just one type of labor category we couldn't identify on capitals described on the text that is the "manual" type of works. For example, a cleaning person who works for a company, taking care of the bathrooms and other, what would be the type of capital. The same situation is for a company's car driver or a postman. 6. Please provide any other comments you have about Section 2B? I think it should be eliminated. If there isn't any place where the "manual" type of jobs is on the capitals, we would suggest to create this type because it may have interdependencies that are considered in determining its reporting boundary, or material trade-offs that influence value creation over time, like described on paragraph 2.25. Business Model (Section 2C) 7. Do you agree with this definition? Why/why not? Not totally. Many business model is defined by a strategic plan before an organization choose a system of inputs, business activities, outputs and outcomes. There are companies that starts it before opening the doors, creating a document with analytical indicators trying to predict the future. That's one of the reasons of many companies remain in the market and many closes earlier. 8. Do you agree with this definition? Why/why not? Yes, I agree.</p>
Fundamental concepts (Other)					<p>10. Please provide any other comments you have about Chapter 2 that are not already addressed by your responses above. We agree with the approach to the capitals. However, we find it unnecessary for the company to disclose the reason if it considers any of the capitals as not material.</p>
Fundamental concepts					<p>The Capitals (Section 2B)</p> <p>5. Do you agree with this approach to the capitals? Why/why not? Yes, they are identifiable and important in a company.</p> <p>6. Please provide any other comments you have about Section 2B? I think it should be eliminated. -The term "intellectual capital" may not adequately reflect the breadth of this item. Intangibles such as innovation, brand / reputation and others, are not identifiable as "Intellectual". Suggestion change name to "Intellectual Capital and Intangible Assets" Business Model (Section 2C) 7. Do you agree with this definition? Why/why not? -The definition seems appropriate to reflect in a general way, logical principle, and the concept of business model. Considering the heterogeneity of entities that use the framework, the use of this generic concept facilitates applicability (of the framework). 8. Do you agree with this definition? Why/why not? -The definition is confusing: is it the impact on the financial results or on different capitals (interdependence)? Need to clarify the concept. 9. Please provide any other comments you have about Section 2C or the disclosure requirements and related guidance regarding business models contained in the Content Elements Chapter of the Framework (see Section 4E)? -Generally, it is worth mentioning the difficulty associated with comparing (as desirable attribute of reports) between different business models. Business models will not be the same even in the same industry. How to check the comparability "unique stories"?</p>



Framework section/Content	Page	From the line	Page	To the line	Comments
Fundamental concepts					<p>The Capitals (Section 2B)</p> <p>5. Do you agree with this approach to the capitals? Why/why not? Yes - the capitals model very clearly identifies the different capitals involved, a few of which are probably novel to professionals not working directly with sustainability and the notion of the triple-bottomline and ESG. We feel the capitals model also facilitates the process of materiality identification for senior management when considering the materiality definition provided in 3.23.</p> <p>6. Please provide any other comments you have about Section 2B? I think it should be eliminated. Section 2.17 descriptions of capitals, for the Natural Capital, instead of beginning with "all renewable and non-renewable environmental resources" we suggest "all ecosystem services and renewable and non-renewable environmental resources" as a resource is not a service, but may provide variation of those.</p> <p>Regarding 2.12 which references 2.19-2.21 and states that "this categorization [of the capitals] is not required to be adopted by organizations preparing an integrated report." - How will this statement affect the Guiding Principle of Comparability? Especially if same-sector companies employ different notions/definitions/categorizations for their capitals.</p> <p>Business Model (Section 2C)</p> <p>7. Do you agree with this definition? Why/why not? Yes, it makes perfect sense.</p> <p>8. Do you agree with this definition? Why/why not? Yes; also makes perfect sense.</p> <p>9. Please provide any other comments you have about Section 2C or the disclosure requirements and related guidance regarding business models contained in the Content Elements Chapter of the Framework (see Section 4E)? It would be interesting if a background paper was developed that expanded on section 2.28 bullet points; a "discussion of how key inputs link to the capitals, opportunities and risk, strategy and financial performance".</p> <p>With regards to 4.21 of 4E: It would be interesting if greater clarification was provided in terms of "resilience"; resilience to what, economic crises? Political conflict/unrest? Environmental crises? New legislation? Climate change? etc... Resilience can be explored in a number of facets.</p> <p>With regards to sections 4.24-4.26 of 4E: We feel this applies quite specifically to us, as a diverse global mining company and it would be quite beneficial if these sections were further expanded and clarified on.</p>
Fundamental concepts					<p>The Capitals (Section 2B)</p> <p>5. Do you agree with this approach to the capitals? Why/why not? Sim. A utilização da estrutura de capitais é bastante adequada. O referencial proposto é abrangente, permite que as instituições construam suas estruturas particulares e também permite que os diversos stakeholders da instituição se recontegem na estrutura de capitais apresentada. A eventual não materialidade de um capital deve ser explicada para melhor compreensão do processo de geração de valor. Yes. The capital structure use is well suited. The proposed framework is comprehensive and allows institutions to build their particular structures as well as enables institutions' stakeholders to recognize themselves in the capital structure presented. Any non-materiality of a capital supposed be explained for a better understanding of the value creation process.</p> <p>6. Please provide any other comments you have about Section 2B? I think it should be eliminated. O conceito de estoque e fluxo de capitais pode ser usado por instituições dos mais variados portes e até mesmo por instituições do governo. Isto poderia ser destacado no texto. The stock concept and capital flow can be used by institutions of all sizes even by government ones. This could be highlighted in the text.</p> <p>Business Model (Section 2C)</p> <p>7. Do you agree with this definition? Why/why not? Sim. O modelo de negócio descreve como a organização gera valor através da sua atividade. Yes. The business model describes how the organization creates value through its activity.</p> <p>8. Do you agree with this definition? Why/why not? Sim. A instituição deve considerar como resultados todas as consequências decorrentes da atuação da organização nos seus diversos capitais. Isso demonstra responsabilidade e maturidade de gestão. Essa abordagem também reforça a atenção para a função social da empresa/instituição e é abrangente para todas as partes interessadas. Yes. The institution should consider as their results every consequences from organization's actions in its many capitals. This shows responsibility and maturity management. This approach also reinforces attention to the social function of the Company/Institution and is comprehensive for all stakeholders.</p>
Fundamental concepts (Capitals)					<p>5. Do you agree with this approach to the capitals? Why/why not? Yes, the Framework approach of capital includes all the essential concepts for value creation over time and for business model maintaining. The segregation on different classes of capital enables a better understanding of them and of the interactions with the innumerable activities on the organization. It's up to each organization to determine the best way to measure and present the capitals. It is valid to say that the segregation of capital allows a more accurate assessment of how the capital interacts with the organization activities, allowing opportunities for improvement over the process of value creation over time.</p> <p>6. Please provide any other comments you have about Section 2B? Regarding capitals segregation, we understand that there is a need to develop a unique tool for measuring the financial and non-financial information. In addition to the discrimination of the capitals, the prospects presentation of sustaining these capitals over time (short, medium and long term) would enable users to understand the policies and strategies about each capital involved in the context of the organization. We understand that the criteria of relevance and materiality should be used when defining and disseminating the capital, because each organization has singularities in the creation and consumption of each capital. In addition, the integrity and consistency of capital must be maintained to provide comparability between the capitals of earlier periods.</p>
Fundamental concepts (Business Model)					<p>7. Do you agree with this definition? Why/why not? Yes. The definition above shows the flow of the organizations operating in an objective way, describing the logical sequence of activities applied to organizations seeking to create value over time. However, most of companies operate with several business models, so would be interesting to adopt the relevance and materiality criteria. The presentation of a single consolidated business model is already enough to address the requirements of the Framework and expectations of the investors, well as being a clear and concise disclosure, which facilitates the understanding and the reconciliation of the information disclosed. If there is a need to supplement the information disclosed investors may seek additional data in external-links.</p> <p>8. Do you agree with this definition? Why/why not? Yes, we believe it is extremely important to detail the positive and negative consequences of the organization's socio-economics results. As adopted to other aspects, the materiality and relevance criteria should guide the identification and disclosure process and consider the internal results and externalities, because the combination of these factors is essential to understand the positive and negative effects on the organization. Regarding external results (or externalities), we emphasize the need for greater rigor in the presentation, because this factor is related directly to the welfare of society as a whole.</p> <p>9. Please provide any other comments you have about Section 2C or the disclosure requirements and related guidance regarding business models contained in the Content Elements Chapter of the Framework (see Section 4E)? The Framework Items 4.24 and 4.25 detail the disclosing guidelines about the various business models. However, we understand that the presentation of all business models on the Integrated Reporting does not fit with the concepts of relevance and materiality contained herein. The business models that should be disclosed on the Integrated Reporting must contain the most significant results about organization's shares. We suggest that the others business models should be briefly presented and any additional information can be found on the external links.</p>
Fundamental concepts					<p>The Capitals (Section 2B)</p> <p>5. Do you agree with this approach to the capitals? Why/why not? I agree with this approach to the six categories of capitals because organizations are open systems not only of data, but also of people, financial resources, culture, knowledge, and are contextualized geographically, interacting also with the environment. The mission of to create value in all these six categories of capitals over time is a challenge, even a great opportunity for all of us.</p> <p>6. Please provide any other comments you have about Section 2B? Reporting have to disclose if the organization is building up or running down the various capitals, particularly with respect to capitals that are in limited supply and are non-renewable. This can affect the long term viability of an organization's business model and, therefore, its ability to create value over time.</p> <p>7. Do you agree with this definition? Why/why not? I agree with this definition. It is related to the aims, e.g., to the strategic purposes of the organization. The questions is: How much can the aims be reached? Outcomes are defined as the internal and external consequences (positive and negative) for the capitals as a result of an organization's business activities and outputs (paragraphs 2.35-2.36).</p> <p>8. Do you agree with this definition? Why/why not? Yes, I agree with this definition. However, it may require disclosure of the effects on capitals up and down the value chain.</p> <p>9. Please provide any other comments you have about Section 2C or the disclosure requirements and related guidance regarding business models contained in the Content Elements Chapter of the Framework (Section 4E). An organization's business model is its chosen system of inputs, business activities, outputs and outcomes that aims to create value over the short, medium and long term. This business model definition is an integrated system where the business activities are the centre. The creation or not of value, any time, depend on them. Inputs can be well or ill used by the business activities and these will determine the quality of the outputs and outcomes.</p>
Fundamental concepts (Other)					<p>10. Please provide any other comments you have about Chapter 2 that are not already addressed by your responses above. Value drivers are the capabilities that give an organization competitive advantage and over which it has some degree of control, such as financial drivers, customer relations, teamwork, integrity and trust. Some of them are material, like businesses, others are material, like ethics, integrity, social and environmental responsibility. All of them affect the creation of value over time.</p>
Fundamental concepts	11		11 Figure 3	11	<p>This Figure showing the process of value creation should consider three columns, not two, in the beginning and the end: beginning: environment, society and organization; end: organization, society and environment. This economic process in companies shows in that structure that begins with the environment - constraint and ends with externalities from productive and consumption process not resolved. I believe this is the most important question that, as the time goes on, is taking the attention of the companies leadership. What is the meaning of Natural Capital as a result? No doubts as stock or source of natural resources, but as a flow, it should be more clear what is the impact. This Figure shows correctly how the different capitals are related. I agree with the consideration of hierarchy.</p>



Framework section/Content	Page	From the line	Page	To the line	Comments
Fundamental concepts					<p>The Capitals (Section 2B)</p> <p>5. Do you agree with this approach to the capitals? Why/why not? Concordamos com esse item sobre capitais e sobre a ponderação de que não são fixos e inerentes a todas as organizações. Contempla não somente os aspectos financeiros, mas sociais e ambientais. Dessa maneira trata de capitais tangíveis e intangíveis de uma organização. Porém, esse item está confuso já que no item 2.17, os capitais são categorizados e no item 2.19, diz que não requer que essas categorias sejam adotadas por todas as organizações. Afinal, este material será um modelo ou apenas ponto de reflexão? Defendemos que seja obrigatório a categorização. We agree with this item about types of capital and the consideration that they are not fixed and inherent to all organizations. It encompasses not only financial aspects, but also social and environmental ones. As such, it addresses both tangible and intangible capital types of an organization. However, this item is confused since in item 2.17, capital is classified in categories and item 2.19 mentions that it is not required that these categories be adopted by all the organizations. After all, will this material be a template or only a point for reflection? We support that the use of categories should be mandatory.</p> <p>6. Please provide any other comments you have about Section 2B? No item 2.24 reforçar o argumento do uso de métodos de medição conforme recomendado acima. In item 2.24, stress the argument of use of measurement methods as recommended above.</p> <p>7. Do you agree with this definition? Why/why not? Concordamos, porém somos da opinião que esse deveria ser o primeiro item, seguido da definição dos capitais e da criação de valor. Me parece mais lógico. Modelo de negócio significa: sistema que rege e organiza o negócio, insumos, atividades, saídas e resultados. Se a palavra "insumos" refere-se à matéria para produção e a pessoas, concordamos com a definição. Se a palavra simplesmente se refere a materiais, a definição deveria ser: "Modelo de negócios é definido como sistema de escolha da organização de pessoas, insumos, atividades de negócios, produtos e resultados que objetivam a criação de valor no curto, médio e longo prazo". Entendemos que haverá dificuldade em enquadrar certos fatores em um determinado capital, já que há fatores que adentram mais de um capital. Mas, é um começo. Agreed, however in our opinion this should be the first item, followed by capital definition and value creation. It seems more logical to me. Business model means: system that guides and organizes the business, inputs, activities, outputs and results. If the "inputs" word refers to material for production and people, we agree with the definition. If the word simply refers to material, the definition should be: "Business model is construed to be the system of selection by the organization of people, inputs, business activities, products and results aiming at value creation within short, medium and long term." We believe that it will be difficult to classify certain factors within a certain capital category, since there are factors that could fit into more than one capital category. But, it is a beginning.</p>
Fundamental concepts					<p>8. Do you agree with this definition? Why/why not? Concordamos. Porque resultados são gerados com base em atividades, produtos e desempenho de fatores internos e externos da organização podendo ser positivos ou negativos. Todos os tipos de capitais são passíveis de impactos por consequências, muitas vezes, além de seu alcance. Acontecimentos externos possuem essa característica, pois a empresa não possui controle sobre estes. A observância sobre estes devem ser mais efetivas, pois são aspectos mais críticos. Os acontecimentos internos tendem a ser mais fáceis de serem observados, pois é neste meio em que a companhia possui maior controle, fazendo assim com que os capitais "internos", como por exemplo, o capital humano, seja menos suscetível a criar impasses para a empresa. Agreed. Because results are generated based on activities, products and performance of internal and external factors of the organization and may be positive or negative. All capital types may be impacted by consequences that many times may be beyond one's control. External events have this characteristic, since the company does not hold control over them. Monitoring thereof should be more effective, since they are more critical aspects. Internal events tend to be more easily monitored, since the company holds higher control over them, thus "internal" capital, such as, human capital, is less susceptible to creation of deadlocks for the company.</p> <p>9. Please provide any other comments you have about Section 2C or the disclosure requirements and related guidance regarding business models contained in the Content Elements Chapter of the Framework (Section 4E). No item 4.22 deveria vir algo que abordasse a necessidade das empresas tratarem em seus relatos sobre como ela (empresa) lida com a obsolescência perceptiva e planejada. No item 4.23 deveria estar claro quem define as partes interessadas críticas. Item 4.22 should include something addressing the need of companies to include in their reporting the manner in which they (companies) deal with perceived and planned obsolescence. Item 4.23 should clarify who defines the key stakeholders.</p>
Fundamental concepts (Other)					<p>10. Please provide any other comments you have about Chapter 2 that are not already addressed by your responses above. Reforçamos que talvez a sequência lógica seja a ênfase inicial no modelo de negócio, sua relação com os capitais e como a companhia cria e maximiza valor. We stress that perhaps the logical sequence would be the initial emphasis on the business model, its relation with capital types and how the company creates and maximizes value.</p>
Fundamental concepts					<p>The Capitals (Section 2B)</p> <p>5. Do you agree with this approach to the capitals? Why/why not? We very much support the concept of the capitals although one of our members has expressed concern about the use of the term "capitals" rather than resources as "capitals" reinforces the dominance of the accounting and finance discourse, notwithstanding that some finance directors may not currently recognize the resources described in the framework as "capitals" or matters on which they can report at the moment.</p> <p>We have no objection to the categorizations suggested by the IIRC or to the suggestion that they should be used as a benchmark for reporting. However, we do not agree with the requirement in paragraph 4.5 for an organization to</p> <p>8. Do you agree with this definition? Why/why not? Not entirely. We have two concerns. First, we would say that outcomes are changes to rather than consequences for something or some things. Those changes can be direct or indirect and can be experienced over different timescales. We would suggest a slight variation on your definition as follows to stress that outcomes are about changes rather than consequences as the consequences cannot always be known by the reporting organization and the framework intends the consequences to be assessed by providers of financial capital, rather than by the reporting organization. We therefore suggest the following revised words: "Outcomes are the direct and indirect changes that take place as a result of the organization's business activities, including positive and negative changes to the capitals over the short, medium and long term and positive and negative changes for the organization, its consumers and stakeholders, for society and the environment. Outcomes of the business model are normally intended or planned but can be influenced and affected by external circumstances and systemic risk". Secondly, we note the GRI's new G4 guidelines ask organizations to report on their social, environmental and economic "impacts" (rather than outcomes). We think it might be helpful for the final framework or supporting material to explain how, if at all, outcomes differ from impacts.</p> <p>9. Please provide any other comments you have about Section 2C or the disclosure requirements and related guidance regarding business models contained in the Content Elements Chapter of the Framework (Section 4E). No comments</p>
Fundamental concepts (Other)					<p>10. Please provide any other comments you have about Chapter 2 that are not already addressed by your responses above. No comments</p>
Guiding Principles 3B Connectivity of information	18	(item 3.9)	18	9	<p><IR> is a "process"... How could be this process? How to fit the <IR> essence into a corporate structure?</p> <p>It is understood important to improve this seems that a financial system nowadays an process.</p>
Guiding Principles 3C Stakeholder responsiveness	20	(item 3.16)	20	8	<p><IR> should consider to guide companies to describe how they could address the stakeholders expectation/needs through a formal management internal control process (e.g. communication policy, procedures, feed backs etc) taking in consideration the inputs to risks and opportunities strategies/management.</p> <p>To avoid mis needs/expect engage in a r cover the req</p>
Guiding Principles 3E Reliability and completeness	21	(item 3.31)	21	8	<p>...to describe the mechanisms...<IR> should give an idea about the ideal mechanism employed to ensure reliability.</p> <p>To avoid mis a clear idea e information.</p>
Guiding Principles 3F Consistency and comparability	23	(item 3.48) (item 3.51)	23	5 4	<p>The word "story" seems very reductionist to describe the reason and meaning of an <IR>. "Description" seems a better word.</p> <p>Meaning of the word "description" by Thefreedictionary: 1. The act, process, or technique of describing. 2. A statement or an account describing something; published a description of the journey; gave a vivid description of the game. 3. A pictorial representation; Monet's ethereal descriptions of haystacks and water lilies. 4. A kind or sort: cars of every size and description.</p> <p>Even the prin organization's the framework terms of imp "story" that c to describe h business mo investors as t</p>
Guiding Principles					<p>Materiality and conciseness (Section 3D)</p> <p>11. Do you agree with this approach to materiality? If not, how would you change it? I agree with the approach to materiality.</p> <p>12. Please provide any other comments you have about Section 3D or the Materiality determination process (Section 5B). The Materiality determination process is not complete. It lacks orientation with regard to how a matter is determined material or not for each specific business. The system conditions proposed by the Natural Step should be used.</p> <p>Reliability and completeness (Section 3E) Independent external assurance</p>
Guiding Principles 3.11	19		19		<p>Nesse item sugiro acrescentar: "Informações contábeis, financeiras e demais informações, especialmente no que se refere aos futuros fluxos de caixa. Por exemplo: ... informações sobre bens, direitos, fluxo de investimentos, passivos, reservas, capital relacionados a dinâmica do negócio." ... "Informações no relatório integrado, informações nas demais comunicações da organização, e informações de outras fontes. Isso reconhece a obrigatoriedade de consistência de todas as comunicações e relatórios emitidos por uma organização, e que os pretendidos usuários do relatório realizem suas avaliações combinando as informações fornecidas pela organização com as informações que acumularem de outras fontes. Isso porque em desconformidade da atividade, a organização pode ter a necessidade de apresentação de relatórios a organismos governamentais ou não governamentais. Como exemplo, a apresentação de Estudos de Impacto a órgãos ambientais.</p> <p>I suggest adding "accounting, financial and other information, especially with regard to future cash flows. For example: ... information on assets, rights, investment flows, liabilities, reserves, capital expenditures related to business dynamics. ... "Information on integrated reporting, information on other organization's communications, and information from other sources. This requirement recognizes the consistency of all communications and reports issued by an organization, and that the alleged report users perform their assessments combining the information provided by the organization with the information accumulated from other sources. This is because due to the activity, the organization may have the need for reporting to government agencies or non-governmental. As an example, the presentation of the Impact Studies to environmental agencies.</p>



Framework section/Content	Page	From the line	Page	To the line	Comments	
Guiding Principles/item 3.11	19	26	19	41	The indicators proposed in the "Financial information and other information" are included in the Global Reporting Initiative, an example being that the indicators of the Global Reporting Initiative, including indicators specific to certain sectors, meet the requirements of an integrated report. We suggest then that it is intended to present the indicators in just a publication of the organization, and not be required two reports with the same indicators.	Point of view
Guiding Principles/item 3.20	20	56	20	65	We suggest that the text of this item come with the item text 3.16, as they address the same theme (transparency and accountability), as referenced in the actual item 3.20.	
Guiding Principles/item 3.26	21	35	21	44	We suggest making reference to the importance of transparency to the application to talk positives and negatives, risks and opportunities.	
Guiding Principles/item 3.49	23	33	23	37	The guidelines of the Global Reporting Initiative, to be an international standard, meet the criteria of consistency and comparability. We then suggest that if an organization submits its sustainability report following the guidelines of the Global Reporting Initiative, with information and standard indicators, already meeting the principles of integrated reporting and so is not necessary to publish the same information twice.	Point of view
Guiding Principles/item 3.50	23	48	23	56	The Guiding Principles for the development of the integrated report are similar to the principles for defining the content and ensuring the quality of sustainability reports in accordance with the guidelines of the Global Reporting Initiative: materiality, stakeholder inclusiveness, sustainability context (how the organization contributes or intends to contribute to the future improvement or deterioration of economic, environmental and social), comprehensiveness, balance, comparability, accuracy, timeliness, clarity and reliability. Likewise, a report required by the rules will also provide robust indicators and equal to those reported in financial reports, sustainability, or others. Thus, we have the guarantee of consistency. We then suggest that they are not required two separate reports. The sustainability report or similar, since presenting the information in an integrated, contextualized and demonstrate the generation of value to the organization, can be considered as an integrated report.	Point of view
Guiding Principles	18	3A-2.13 line 32	16	3A-2.13 line 32	Those in charge of governance should also state what criteria they use when confronted with trade-offs and what principles guide those criteria. For example, if the need to reduce labor to maintain competitiveness. What do they do? How do they decide? On what criteria they base their decisions? What values underpin those criteria?	
Guiding Principles	18	3B-3.7 line 1	18	3B-3.7 line 1	I believe the title should be "Integration of Information" rather than introducing a new term "connectivity". The entire objective of this exercise is to have a mechanism - a report - which helps to promote what we detect is not happening today, i.e. integrated thinking when companies develop strategy and implement those strategies into everyday management showing how it ultimately creates value. Why introduce a new word?	
Guiding Principles	18	3B-3.10 line 34	18	3B-3.7 line 34	It is only by "integrating" the Content Elements and "making an effort to measure how actions impact cash flow generation"(...)	
Guiding Principles	19	3B-3.11 line 60	19	3B-3.11 line 60	In other words, companies need to establish a disclosure standard. The primary report establishing disclosure standard is the company's main mandatory disclosure document. That document must be the locus of integration and the primary source for all external communication.	
Guiding Principles	21	3D-3.25 line 23	21	3D-3.25 line 23	Shouldn't the company state what has been its materiality determination process? Shouldn't it be the company's responsibility to determine which criteria and processes it uses to determine materiality? I mean, if the company chooses an external standard, fine. But it should also be able develop its process, no?	
Guiding Principles	21	3D-3.27 line 9	21	3D-3.27 line 9	The integrated report should only disclose material matters that have already been disclosed in the company's main mandatory disclosure document.	Point of view
Guiding Principles	21	3D-3.29 line 19	21	3D-3.29 line 19	Conciseness is important for communication purposes - because nobody reads long documents, however, I fear that complex issues, particularly when non-standard measurement is available may be over simplified and for that reason, disclosures made in the concise integrated report should be backed up by thorough, non-reductionist disclosure documents where complex matters can be fully explained. Also, when the text says "sufficient context to make it understandable, I would change the word understandable to meaningful. I think in other to be useful a concise report should not repeat descriptions already made in mandatory documents such as the 10-K. It should avoid what some voluntary report standards do requiring companies to tediously repeat what is routinely disclosed in mandatory documents. Unless the Integrated Reports comes up with something really attractive, it will remain one more unread corporate report.	
Guiding Principles	21	3D-3.31 line 32	21	3D-3.29 line 32	I think the same standards and processes the company uses to make mandatory reports such as the 10-K should be followed in the Integrated Report, which should not include any new information that has not been disclosed in the 10K, for example.	Point of view
Guiding Principles	22	3D-3.33 line 2	22	3D-3.33 line 2	I think it should be stressed that Integrated Reports are not marketing materials and should not include the promotional and persuasive language typical of many sustainability reports.	
Guiding Principles	23	3F-3.48 line 33	23	3F-3.48 line 33	I think the company should apply the same consistency and comparability procedures it uses for its mandatory documents such as the 10-K.	
Guiding Principles					<p>Materiality and conciseness (Section 3D)</p> <p>11. Do you agree with this approach to materiality? If not, how would you change it?</p> <ul style="list-style-type: none"> o Deveria incorporar o ambiente externo (Partes Interessadas) na definição e matriz de materialidade o Materialidade depende do tipo de negócio, não são todos que poderiam seguir a matriz. o A abordagem prioriza a visão da empresa, não inclui formalmente os stakeholders. o Itens 3.23 e 3.27 estão em conflito potencial. o Ciclo anual é muito curto. Maioria das empresas e setores não muda tão rapidamente. Melhor ajustar a materialidade anualmente a partir do feedback dos usuários da informação. o Propor como comentário ao processo de geração da materialidade: caso a companhia já publique algum modelo de relatório que construa a materialidade (Ex. modelo GRI) deixar claro que ele existe, quais os principais aspectos levantados e confrontar essa materialidade com os aspectos levantados pela alta direção da empresa. o Também nos parece que poderia ter maior legitimidade se os temas de relevância fossem validados pelas partes interessadas, através de teste de materialidade, conforme sugere a GRI em suas diretrizes. <input type="checkbox"/> It should incorporate the external environment (stakeholders) in the definition and materiality matrix. <input type="checkbox"/> Materiality depends on the type of business, not everyone could follow the matrix. <input type="checkbox"/> The approach emphasizes the company's vision and it does not formally include the stakeholders. <input type="checkbox"/> Items 3.23 and 3.27 are in potential conflict. <input type="checkbox"/> The annual cycle is very short. Most businesses and industries do not change so quickly. Best fit materiality annually from the user feedback information. <input type="checkbox"/> Propose as note to the process of materiality's generation: if the company already publishes a report template that builds the materiality (eg GRI) make it clear that it exists, what are the main issues raised and confront this materiality with the issues raised by the high direction of the company. <input type="checkbox"/> It might have greater legitimacy if the relevant themes were validated by stakeholders through materiality test, as suggested by the GRI in their guidelines. <p>12. Please provide any other comments you have about Section 3D or the Materiality determination process (Section 5B).</p> <ul style="list-style-type: none"> o A ideia de retrato da organização em uma linha de presente, passado e futuro (3.10), aliada a pretensão de um informe integrado que satisfaça "todas" as necessidades de informação de "todos" os grupos de interesse (3.19) certamente contrasta com a diretiz de concisão. o Conforme a definição explicitada na sentença a materialidade está condicionada à identificação das questões pela alta gestão. Entendo que muitas vezes a materialidade está obscura e não é identificada pela empresa. A definição mais adequada poderia ser, demonstrando que a materialidade é composta por questões que podem substancialmente influenciar as relações sistêmicas dos capitais que nem sempre são identificadas pela alta governança. <input type="checkbox"/> The organization's portrait idea in a line of present, past and future (3.10), together with the pretense of a inform report that satisfies "all" the information needs of "all" interest groups (3.19) certainly contrasts with the brevity guideline. <input type="checkbox"/> According to the explained definition in the sentence the materiality is subject to the identifies' issues by high administration. I understand that materiality is often obscure and is not identified by the company. The most appropriate definition could be, demonstrating that materiality consists of questions that can substantially influence the systemic relations of capital that aren't often identified by high governance <p>Reliability and completeness (Section 3E)</p> <p>13. How should the reliability of an integrated report be demonstrated?</p> <ul style="list-style-type: none"> o Informações devem ser colocadas de forma clara e de fácil acesso, principalmente potenciais informações financeiras que foram retificadas. Por exemplo: tem uma mudança no balanço de um trimestre para o outro e não tem destaque e uma explicação clara disso? o O risco vai sempre existir - o importante é como gerir isso. Portanto seria interessante reportar melhores práticas de gestão - mostrar como é o trabalho, não só mostrar as falhas e o porquê das perdas. <input type="checkbox"/> A governança precisa mostrar confiança o Alisar coerência entre diferentes peças de comunicação para que todas sejam confiáveis o Auditor vs. Ag. Rating: vale a pena ter rating para confiabilidade do relato? o A confiabilidade pode ser demonstrada quando se pode verificar um texto conciso, coeso, de fácil compreensão, aliado à verossimilhança das alegações/conduitas, fatos de conhecimento público, equilíbrio (pontos positivos e 	
Guiding Principles					<p>Reliability and completeness (Section 3E)</p> <p>13. How should the reliability of an integrated report be demonstrated?</p> <ul style="list-style-type: none"> Some documents, such as the certification letter signed by the company's CEO and CFO (as required in Form 20-F filings in the Securities & Exchange Commission), a comfort letter issued by external audit firms (as is the case in the accounting information included in the offerings - international fund-raising document) or a letter of a member representing top management could boost reliability of the target public in relation to the information included in the integrated report. 	
Guiding Principles					<p>Materiality and conciseness (Section 3D)</p> <p>11. Do you agree with this approach to materiality? If not, how would you change it?</p> <p>Yes. I would add a reference to a specific document about materiality that IIRC has to get deep on this subject.</p> <p>12. Please provide any other comments you have about Section 3D or the Materiality determination process (Section 5B).</p> <p>I would add a reference to a specific document about materiality that IIRC has to get deep on this subject.</p> <p>Reliability and completeness (Section 3E)</p> <p>13. How should the reliability of an integrated report be demonstrated?</p> <p>The reliability of an integrated report should be demonstrated by an independent external assurance, defining materiality, focusing only on points they did not cover on Annual-Quarterly or any other reports, and testing reporting systems.</p> <p>14. Please provide any other comments you have about Section 3E.</p> <p>There is one robust internal reporting system which can be on XBRL format called XBRL GL which would be in the same format as the external report platform called XBRL FR described on XBRL-Chapter 5I.</p> <p>15. Please provide any other comments you have about Chapter 3 that are not already addressed by your responses above.</p> <p>None</p>	
Guiding Principles					<p>Materiality and conciseness (Section 3D)</p> <p>Reliability and completeness (Section 3E)</p> <p>13. How should the reliability of an integrated report be demonstrated?</p> <ul style="list-style-type: none"> -We believe that integrated reporting will allow various mechanisms of communication and information to be integrated in a systematic way. Making deadlines, themes and organizational leaders to act with synergy. A strategy based on this concept, starts to permeate all levels of the company and the thought becomes unique. 	



Framework section/Content	Page	From the line	Page	To the line	Comments
Guiding Principles					<p>Materiality and conciseness (Section 3D) 11. Do you agree with this approach to materiality? If not, how would you change it? Yes. We fully agree with sections 3.23 and 3.24 as they are and view the IR materiality process as more "honest" without external stakeholder consultation. With the GRI for example, an external panel of stakeholders is indeed consulted regarding the material sustainability issues and we view this as enough external stakeholder input. We feel that it may become a "crutch" to the process while the aim should be that senior management instinctively determine whichever ESG megatrends or issues are material to core business based on the internal work already done and capacity generated on the subject (which includes internalization and appropriation by management of past external opinion of what should be considered material). We feel there is a difference between what senior management and those charged with governance naturally deem material and what they are told they should deem material by external stakeholders regarding sustainability/ESG issues (which is what happens during the GRI external stakeholder consultation, for instance), and that it could be quite interesting to compare the two different materiality matrices and use that as an internal building block in further advancing and integrating sustainability/ESG issues into strategic planning.</p> <p>12. Please provide any other comments you have about Section 3D or the Materiality determination process (Section 5B). No comments</p> <p>Reliability and completeness (Section 3E) 13. How should the reliability of an integrated report be demonstrated? External verification/assurance</p> <p>Other 15. Please provide any other comments you have about Chapter 3 that are not already addressed by your responses above. No comments.</p>
Guiding Principles					<p>Materiality and conciseness (Section 3D) 11. Do you agree with this approach to materiality? If not, how would you change it? A materialidade está relacionada às expectativas do público alvo do relato. No entanto o público alvo não precisa ser exclusivamente o provedor do capital financeiro. Cada instituição deveria esclarecer quais os públicos alvo de seu relato e em função destes definir a materialidade. Estes esclarecimentos sobre público alvo do relato e critérios de materialidade deveriam ser estar presentes logo no início do relato. Materiality is related to the expectations of the report's target audience. However the target audience need not be solely the finance capital provider. Each institution should clarify which ones and define the function of these materiality. These clarifications on the reporting's target audience and materiality criteria should be present in the report launch.</p> <p>12. Please provide any other comments you have about Section 3D or the Materiality determination process (Section 5B). O equilíbrio entre os princípios é fundamental, em especial entre a materialidade e a responsabilidade das partes interessadas. The balance between the principles is critical, especially between materiality and stakeholders' responsiveness.</p> <p>Reliability and completeness (Section 3E) 13. How should the reliability of an integrated report be demonstrated? Além da asseguração externa, a rastreabilidade das informações apresentadas e a prática de diálogos para validação e esclarecimento de informações com stakeholders contribuem para evidenciar confiabilidade. Besides the external assurance, the information's traceability presented and practice of dialogues for validation and information's clarification with stakeholders contribute to evidence the reliability.</p>
Guiding Principles					<p>Materiality and conciseness (Section 3D) 11. Do you agree with this approach to materiality? If not, how would you change it? Yes, I agree with this approach to materiality. But it can be also a quality of something important enough to notice or to have an effect on the value creation over time.</p> <p>12. Please provide any other comments you have about Section 3D or the Materiality determination process (Section 5B). About Section 3D we can refer also to the conciseness. It means that na integrated report includes concise information that provides sufficient context to make it understandable, and avoids redundant information.</p> <p>Reliability and completeness (Section 3E) 13. How should the reliability of an integrated report be demonstrated? A reliable information can be trusted to be accurate. The reliability of na integrated report should be demonstrated by the disclosure of clear and consistent information, that doesn't give us any chance of doubt.</p> <p>14. Please provide any other comments you have about Section 3E. In Section 3E we can also comment about completeness. To have completeness quality an integrated report includes all material information, both positive and negative.</p> <p>Other 15. Please provide any other comments you have about Chapter 3 that are not already addressed by your responses above. Chapter 3 includes concepts such as consistency and comparability. Consistency refers to the information in na integrated report should be presented on a basis that is considered over time, reporting policies are followed consistently from one period to the next unless a change is needed to improve the quality of information reported. Comparability refers to the specific information in an integrated report will, necessarily, vary from one organization to another because each organization needs to express its own unique value creation story.</p>
Guiding Principles	21	3E	23	3E	<p>All guidance principles are important, but, for the analysts and investors, reliability, in all the items described is vital, and may compromise the Integrated Report and all the links with other reports. This should be reinforced, to the extent that mistrust has a high value destructive power. Value is in a substantive part confidence in the fundaments and perspectives.</p>
Guiding Principles					<p>Materiality and conciseness (Section 3D) 11. Do you agree with this approach to materiality? If not, how would you change it? Não concordamos. A materialidade deve ser determinada não apenas com a alta administração da empresa, conforme sugerido no draft. O processo deve ser ampliado para demais stakeholders (que sejam impactados ou impactem a empresa de forma significativa), para que não gere viés na determinação de importância dos temas. No parágrafo 3.24 incluir que os stakeholders também devem contribuir para a determinação de um assunto material. Reescrevendo o parágrafo 3.24 ficaria: ao determinar se um assunto é material, a alta direção, os encarregados pela governança e stakeholders consideram se o assunto afeta significativamente, ou tem potencial para afetar significativamente, a estratégia da organização, seu modelo de negócios ou um ou mais dos capitais que ela usa ou afeta no curto, médio ou longo prazo. Esses stakeholders devem ser definidos pela alta gestão. Quem eles consideram importantes para o negócio da empresa? Quais públicos impactam diretamente nesse negócio? Definidos esses públicos eles devem ser engajados também nesse processo de materialidade. Muito bom o raciocínio de probabilidade de ocorrência deve ser mantido. Not agreed. Materiality should be determined not only with senior management of the company, as suggested in the draft. The process should be extended to the other stakeholders (that are impacted or impact the company significantly), in order not to bias determination of importance of matters. In paragraph 3.24, include that stakeholders should also contribute to the determination of a material matter. Rewording, paragraph 3.24 would be: in determining whether a matter is material, senior management, those in charge of governance and stakeholders consider whether the matter significantly affects, or has the potential to significantly affect, the strategy of the organization, its business model or one or more types of capital that it uses or affects within short, medium or long term. These stakeholders should be defined by senior management. Who do they consider to be important for the company's business? Which publics directly impact this business? After defining these publics, they should be also engaged in this materiality process. The reasoning of probability of occurrence is very good and should be maintained.</p> <p>12. Please provide any other comments you have about Section 3D or the Materiality determination process (Section 5B). A recomendação é de alinhar ao que a G4 apresenta, especialmente sobre os eixos e cruzamento da visão da alta administração com a dos públicos. No parágrafo 3.27 em que menciona as avaliações de materialidade além de serem realizadas pelo menos uma vez por ano devem ter metas. Os usuários devem ser todos os interessados nas atividades da companhia, ou seja, todos os stakeholders que impactam e são impactados pelas atividades da companhia. Também podem ser considerados os stakeholders estratégicos e aqueles com o qual a organização mantém relacionamentos mais intensos. As organizações não querem nem ter o hábito de publicar informações negativas. Muitas vezes a materialidade é determinada de acordo com o que a empresa quer "mostrar". Deve haver alguma forma de "incentivar" as organizações a falar de questões pontuais (por exemplo, por setor, questões essenciais). A materialidade pode estar relacionada com os encontros das relevância para a alta administração e com os públicos impactados diretamente, com a manutenção de elencar a importância e elencar as prioridades. The recommendation is to align with what G4 presents, especially about crosscheck of senior management view with that of the publics. In paragraph 3.27 mentioning evaluation of materiality, it should be made at least once a year and also have targets. Users should be all those interested in company activities, i.e. all the stakeholders that impact and are impacted by company activities. They may also be considered the strategic stakeholders and those with which the organization keeps more intense relationships. Organizations do not want and do not have the habit of publishing negative information. Several times materiality is directed to what the company wants to "show". There should be a manner of "encouraging" organizations to talk about individual issues. (for instance: by sector, essential issues). Materiality may be related to relevance for senior management and publics directly impacted, with listing of importance and priorities.</p>
Guiding Principles					<p>Reliability and completeness (Section 3E) 13. How should the reliability of an integrated report be demonstrated? Demonstrando o envolvimento da alta administração e a inclusão dos stakeholders. A partir também de uma verificação de terceira parte e independente e emissão de uma carta de verificação e parecer sobre as informações demonstradas, assim como tem sido feito normalmente para as demonstrações contábeis. Explicitar a importância do envolvimento da auditoria interna e compliance. Também pode gerar confiabilidade se o relato reportar indicadores e metodologias de instituições de credibilidade e por meio de sistemas de informação estruturados que representem fielmente a realidade da organização. Showing involvement of senior management and the inclusion of stakeholders. Also based on a third party and independent verification and issuance of a verification letter and report on the presented information, as it has been normally made for the financial statements. Explain the importance of involvement of internal audit and compliance. It may also generate reliability if the report presents indicators and methodologies of credible institutions and through structured information systems that faithfully represent the organization's reality.</p> <p>14. Please provide any other comments you have about Section 3E. No item 3.31 deveria estar claro o que é um relatório interno robusto. No item 3.33 deveria dizer o que é uma informação pesada. No item 3.36 poderia explicitar que as entidades de classe podem fazer o papel de consolidar os dados setoriais e contribuir na identificação de assuntos relevantes ao setor como um todo. No item 3.50 deveria estar mais explícito que a base de preparação de qualquer relato deve ser a mesma. Item 3.31 should clearly state what a robust internal report is. Item 3.33 should state what heavy information is. Item 3.36 could explain that trade associations may play the role of consolidating sector data and contribute in the identification of relevant matters for the overall sector. Item 3.50 should more expressly explain that the basis for preparation of any report should be the same.</p> <p>Other 15. Please provide any other comments you have about Chapter 3 that are not already addressed by your responses above. Os itens 3.51 e 3.52 deveriam ser mais explícitos sobre a relevância da comparabilidade e como deve ser apresentada no relato. Items 3.51 and 3.52 should be more explicit about relevance of comparability and how it should be presented in the report.</p>
Guiding Principles					<p>Materiality and conciseness (Section 3D) 11. Do you agree with this approach to materiality? If not, how would you change it? Not entirely. We agree that materiality cannot and should not be determined by the reporting organization alone and that stakeholders and report users have an important role to play in determining materiality. For clarity, the requirement at paragraph 3.22 could be amended to read "An integrated report should provide concise information that is material to the intended audience for assessing the organization's ability to create value." We think that the IR Framework should acknowledge that there are multiple definitions of materiality and that different stakeholder groups attach different meanings to materiality. In particular, materiality may have a different</p>



Framework section/Content	Page	From the line	Page	To the line	Comments
Guiding Principles					<p>Reliability and completeness (Section 3E) 13. How should the reliability of an integrated report be demonstrated? The title of section 3E is "Reliability and completeness", but the first paragraph under that section (paragraph 3.30) turns immediately to material matters and contains the requirement for an integrated report to "contain all material matters, both positive and negative and without material error." We suggest that there is no need for the requirement at 3E to say that the integrated report should contain material matters as that is addressed elsewhere in other requirements. We think the requirement at paragraph 3.30 should read "information in an integrated report should be reliable" and then go on to define reliability. We think there would be merit in the framework aligning more closely with the IASB's Conceptual Framework. Reliability was specified as a qualitative characteristic of useful financial information in the pre-2010 version of the IASB's conceptual framework, particularly when the words in paragraph 3.33 are almost identical to the words in paragraph OC14 of the IASB's conceptual framework. Where concepts already used in financial reporting are adopted by the framework, they should be adopted in whole. Otherwise the nature of the more selective approach the IIRC seems to have taken should be explained so that differences in applying a similar characteristic for financial and integrated reporting purposes can be understood by reporting companies. Rather than making small changes to concepts already used for financial reporting that apparently add no meaning to those concepts, we recommend that, as CDSB has done (see for example paragraphs 3.13 – 3.19 of our Framework), the definition of concepts from financial reporting that can be applied to Integrated Reporting is kept as close to the original definition as possible and that the IR Framework concentrates on explaining the application of that of that concept for IR purposes. Furthermore, whilst we understand the IIRC's reluctance to reference the work of other reporting standard setters and initiatives, we strongly encourage referencing specific standards, where, as in the case of section 3E, whole sentences have been copied. We wonder whether it would be helpful for the final framework to set minimum requirements for the purposes of evidencing reliability and materiality so that all integrated reporters conform to one or a limited range of approaches. Similarly, we wonder whether the IIRC should consider specifying the types of approach or frameworks that should be used by integrated reporters in order to meet minimum criteria for ensuring reliability.</p>
Guiding Principles					<p>14. Please provide any other comments you have about Section 3E. No comments</p> <p>Other</p> <p>15. Please provide any other comments you have about Chapter 3 that are not already addressed by your responses above. No comments</p>
Content elements					<p>Comentários gerais General comments</p> <p>1) Orientações gerais pouco objetivas e muito detalhadas, abrangência dos elementos ficou bastante ampla, o que pode dificultar o cumprimento dos Guiding Principles, principalmente em termos de objetividade e concisão. 2) Guidelines bit objective and very detailed, coverage of the elements was quite broad, which may hinder the fulfillment of the Guiding Principles, especially in terms of objectivity and concision. Sugere-se, além de tornar as orientações dos Content Elements mais concisas e objetivas, posicionar o leitor sobre questões específicas dos guiding principles que devem ser adicionadas durante o relato dos content elements. We suggest, in addition getting the guidelines of the Content Elements more concise and objective, besides to guide the reader about specific questions of Guiding Principles that should be added during the reports of content elements.</p> <p>2) O IIRC poderia fazer uma análise dos indicadores da GRI, estabelecendo uma relação com os elementos de conteúdo do framework, ou seja, classificá-los quando possível segundo um dos elementos de conteúdo, a fim de dar clareza ao alinhamento entre as iniciativas, evitando esforços paralelos. 2) The IIRC could perform an analysis of the GRI indicators, establishing a relationship with the content elements of the framework, classifying them as possible by one of the content elements in order to give clarity to the alignment between initiatives, avoiding any other efforts.</p> <p>3) The IR is a reporting focused on value creation, it intends to show the firm projection to the future instead the firm pass, i.e., how its strategy, governance, performance and prospects contribute to its longevity. So, it differs from another documents, like GRI, it is another document.</p> <p>4) It is too much focused on providers of financial capital despite of other stakeholders that contribute to value creation.</p> <p>5) To improve the glossary with words such as "uncertainly, boilerplate, stock, etc."</p> <p>6) To avoid slang or words that would not be understood by different cultures such as "boilerplate".</p>
Content elements					<p>A seção 4.3 abre a possibilidade de supressão de um, ou alguns, dos elementos de conteúdo enumerados em 4.1 no relato integrado da companhia de acordo com as circunstâncias da entidade que reporta. Section 4.3 opens the possibility of suppression of one or any of the content elements listed in 4.1 on company's integrated reporting under the circumstances of the reporting entity. Sugestão: a entidade que reporta deve informar porque determinado elemento de conteúdo não é aplicável. Suggestion: the entity's reporting must inform why certain content element is not applicable.</p>
Content elements	pg24	4.15	pg24		<p>No último bullet, entendemos que pode ser redundante justificar porque um capital foi considerado imaterial. A partir da materialidade justifica-se a escolha de determinados capitais e, por consequência, a exclusão dos demais. In the last bullet, we understand that it can be redundant justifying why a capital was considered immaterial. From the materiality it justifies the choice of particular capital and consequently the exclusion of others. Related to Chapter 2, question 5, I agree because it is like "comply or explain" that's useful when some required information does not apply to the firm.</p>
Content elements	pg24	4A (4.7)	pg24		<p>Primeiro bullet - Organization landscape and market position - Sugerimos que o item (ambiente competitivo e posicionamento de mercado) tenha mais foco nos fatores de competitividade da organização do que nas "ameaças" externas à competitividade, apresentando os principais elementos que determinam ou prejudicam a capacidade de ser competitiva. O item, apresentado de forma muito específica, fica redundante com o conteúdo da parte de estratégia. First bullet - Organization landscape and market position - we suggest that the item (competitive environment and market positioning) has more focus on competitive factors of the organization than the external "threats" to the competitiveness, presenting the main elements that determine or affect the ability to be competitive. The item presented in a very specific way, get redundant with the strategic content part.I suggest to include information about shareholders rights (voting rights), in case of exist preferential and ordinary shares.</p>
Content elements	pg25	4A (4.9)	pg25		<p>4.8 e 4.9: diante da abrangência de fatores a serem considerados no relato do ambiente externo, sugerimos que o framework reforce e dê ênfase sobre como as organizações podem priorizar o relato do ambiente externo, para que sejam levados em consideração os fatores mais relevantes na sua descrição, evitando relatos muito amplos e pouco objetivos. 4.8 and 4.9: before range of factors to be considered in the external environment report, we suggest that the framework strengthen and give emphasis on how organizations can prioritize the external environment report, for consideration the most relevant factors in its description while avoiding very broad and little objective reports. Alguns fatores apontados no item 4.9 já são mencionados em outros elementos de conteúdo e sua abordagem na parte de ambiente externo pode tornar o relato redundante, tais como: The legitimate needs, interests and expectations of the organization's stakeholders (Performance e Governança) e Market forces, such as the relative strengths and weaknesses of competitors and customer demand (Estratégia). Some factors identified in Section 4.9 have already been mentioned in other elements of content and approach in the external environment can get the report redundant such as: The legitimate needs, interests and expectations of the organization's stakeholders (Performance and Governance) and Market Forces, such as the relative strengths and weaknesses of Competitors and customer demand (Strategy).</p>
Content elements	pg25	4B			<p>Comentários gerais - Governança com foco excessivo nas ações e posicionamento da alta administração. Sugerimos a abordagem da governança geral da organização, a partir da visão clara da estrutura e processos de governança e tomada de decisão, além das melhores práticas aplicadas. General comments - Governance with excessive focus on actions and high administration positioning. We suggest the company general governance approach from the clear vision of the structure, governance and decision making processes and best practices applied.</p>
Content elements	pg25	4B(4.11)	pg25		<p>O segundo bullet poderia incluir a influência dos stakeholders sobre as decisões da alta governança (se a empresa leva isso em consideração ou possui mecanismos para viabilizar essa influência). A orientação estratégica da organização, bem como seus principais discursos e direcionadores, devem ser descritos juntamente com a estratégia, uma vez que são o seu reflexo direto. The second bullet could include the stakeholders influence on the decisions of the high governance (if the company takes this into consideration and has mechanisms to enable this influence). The strategic direction of the organization, as well as major speeches and drivers should be described together with the strategy, since they are your direct reflection.</p>
Content elements	pg25	4B(4.11)	pg25		<p>Terceiro bullet: apontar ações específicas pode tornar o relato extenso. O escopo deste item já é abrangido no escopo do segundo item. Third bullet: point out specific actions may get the report broad. This item scope is already covered in the second item scope. It is not clear what particular actions mean and how they are related to the different capitals. AB</p>
Content elements	pg25	4B(4.11)	pg25		<p>Quarto bullet: escopo do item deve ser relatada na seção de Estratégia e/ou Modelo de Negócio Fourth bullet: the item scope must be reported in the strategic section and/or Business Model.</p>
Content elements	pg25	4B(4.11)	pg25		<p>Sexto bullet: consideramos relevante saber se a organização atua para promover e garantir inovação constante e não se alta administração considera a questão relevante. Sixth bullet: we considered as relevant knowing if the organization works to promote and ensure constant innovation not if high administration consider the relevant question.</p>
Content elements	pg25	4B(4.11)	pg25		<p>Último bullet: o item é redundante, escopo abordado no item 4.12. Last bullet: item is redundant, scope addressed in 4.12 item.</p>
Content elements	pg26	4C (4.14 e 4.15)	pg26		<p>Abordagem ampla relacionada aos riscos, o que pode tornar o relato extenso e pouco objetivo. Sugerimos que o framework oriente a priorização na abordagem dos riscos, incluindo quais os principais critérios a serem abordados a fim de que se tenha um relato conciso, objetivo mas que atenda às expectativas dos investidores. Broad approach to the related risks, which can make the lengthy report and some objective. We suggest that the framework guides the prioritization in addressing the risks, including which are the main criteria to be addressed in order that it has a concise, objective but that meets the stakeholders expectations. I suggest to include information related to the effectiveness of internal control systems to mitigate risks. I suggest to consider sector and region after "...are specific to the organization..."</p>
Content elements	pg26	4C (4.17)	pg26		<p>Item redundante, escopo já considerado no 4.14 e 4.15. Redundant item, is already considered in the scope 4.14 and 4.15.</p>
Content elements	pg26	4D (4.20)	pg26		<p>1) The first topic of the first bullet point "relate to the organization's business model...", might be considered strategic and confidential information that most of organizations would not disclose. 2) The second bullet point has limited number of examples when thinking about competitive advantage. Are those topics IIRC would like to emphasize or should we consider more examples including for instance business presence, human resources, etc.</p>
Content elements	pg27	4E	pg28		<p>Most of the examples and description reflect production or extraction business models that does not apply to services. If we consider that in the majority of developed countries services represent more than 70% of their GDP and that financial services providers are the companies that most report, there should be a look at this segment of the economy on the IR Framework mostly in the business model.</p>
Content elements	pg27	4E (4.22)	pg27		<p>Primeiro bullet: o framework deve especificar que tipos de inputs são considerados para o modelo de negócio, exemplo: materiais, mão-de-obra, etc. First bullet: the framework should specify which types of inputs are considered for the business model, eg: materials, labor, work, etc.</p>



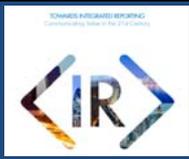
International Integrated Reporting Council (IIRC) - Comment process for
 Prototype of The International <IR> Framework
 Brazilian Commission for <IR> Communication

GT 1 - Exposure Draft | Coordinated by Ernst & Young Brazil (Meire Ferreira) | April-July, 2013

Framework section/Content	Page	From the line	Page	To the line	Comments
Content elements	pg27	4E (4.22)	pg27		Segundo bullet, fatores excessivos a serem considerados na descrição das principais atividades, principalmente o primeiro e terceiro itens. Alguns fatores apontados já são considerados em outros elementos de conteúdo, o que pode tornar o item redundante. Em geral, sugerimos dar foco nos itens que diferenciam as organizações das demais, em relação ao negócio (setor) e região de atuação. Second bullet: excessive factors to be considered in the description of the main activities, especially the first and third items. Some factors identified are already considered in other content elements, which may make the item redundant. We suggest to focus on items that differ a organization from others in relation to the business (sector) and the local where it operates.
Content elements	pg27	4E (4.23)	pg27		Sugerimos que o mesmo exemplo e orientação seja aplicada para o relato do ambiente externo e riscos e oportunidades da organização. We suggest that the same example and orientation be applied for the external environment report and risks and opportunities of the organization.
Content elements	pag28	4F (4.29)	pg28		Sugerimos rever a redação do item para que a monetização das informações socioambientais não pareça prioritária sobre outras abordagens, uma vez que essa é uma questão de posicionamento estratégico das empresas. Nem todos os aspectos socioambientais podem ser monetizados e nem por isso são menos relevantes para a capacidade da organização de gerar valor. E, em alguns casos, a monetização pode fornecer uma visão simplificada de questões relacionadas à sustentabilidade. Sugerimos algo mais aberto como: "When possible and considered strategic, the company can demonstrate the connectivity..." We suggest reviewing the wording of the item so that the monetization of environmental information does not seem a priority over other approaches, since this is a matter of strategic positioning of the companies. Not all environmental aspects can be monetized and they are no less relevant to the organization's ability to create value. In some cases, monetization can provide a simplified overview of issues related to sustainability. We suggest something more open like: "When possible and strategic Considered, the company can demonstrate demonstration the connectivity..." How to explain financial implications of issues without an international accepted methodology for these calculations.
Content elements	pag28	4F (4.31)	pg28		No terceiro bullet, entendemos que a conectividade deve ser entre o conjunto dos indicadores, de forma que eles sejam complementares entre si e em relação à estratégia e ao modelo de negócios. A conectividade entre informações financeiras e não financeiras é muito relevante para o relato integrado, mas não necessariamente na forma de indicadores. No nono bullet, achamos o item redundante com o sexto bullet. In the third bullet, we understand that connectivity should be among the set of indicators, so that they are complementary to each other and in relation to strategy and business model. The connectivity between financial and non-financial information is very relevant to the integrated report but not necessarily in the form of indicators. In the ninth bullet, we thought the item redundant with the sixth bullet.
Content elements	pag29	4G (4.34)	pg29		No primeiro bullet, as expectativas com relação ao ambiente externo deveriam ser de caráter corporativo em geral e não especificamente em relação ao "senior management". Poderiam se basear em análises de cenário e de risco realizadas pelas organizações com esse foco. In the first bullet, the expectations with respect to the external environment should be in general a corporate nature and not specifically in relation to "senior management". They could be based on scenario's analysis and risk undertaken by organizations with such focus. I understand that the IR is very focused on providers of financial capital and that's why it establishes that the Senior management and those charged in governance are responsible by the judgements in the IR (see 1.13) even if their opinion is supported by statistics and other tools.
Content elements	pag29	4G (4.36)	pag29		Acreditamos que não pode dar o entendimento de que as implicações futuras devem ser necessariamente uma sessão destacada. Deve estar claro que as implicações futuras estão relacionadas aos demais elementos de conteúdo. We believe it can not give the understanding that the future implications must necessarily be a session highlighted. It should be clear that the future implications are related to other elements.
Overview Content Elements	6	1	6	5	Em consonância com o Capítulo 4, a proposta é de que o <IR> deveria sustentar-se numa comunicação concisa e ligada a outros relatórios e comunicações. Porém, em decorrência da gama de informações a serem apresentadas, certamente essa orientação não será seguida. Outro aspecto é em relação a ligação com outros relatórios e comunicações. O texto não explora a forma como ocorrerá essa ligação com os outros relatórios. Destacase que esses "outros relatórios" podem se referir a relatórios contábeis, financeiros, ambientais (em especial para empresas que desenvolvam atividades que impactam negativamente o meio ambiente e que precisem apresentar relatórios para obtenção de licenças ambientais) ou sociais. Embora a ideia seja de uma orientação para elaboração de um relato integrado, considerando a gama de informação, considero inevitável um "ROTEIRO DE ELABORAÇÃO". In accordance with Chapter 4, the proposal is that the <IR> should hold up a concise communication and connected to other reports and communications. However, due to the range of information to be presented, this guide will certainly not be followed. Another aspect is regarding the connection with other reports and communications. The text does not explore how this binding occurs with other reports. It is noteworthy that these "other reports" may refer to accounting, financial and environmental reporting (especially for companies that develop activities that negatively impact the environment and they need to report for obtaining environmental licenses) or social. While this idea is a guideline for the preparation of a integrated reporting, considering the range of information, I consider imperative a "ROAD MAP" for <IR>.
Content Elements					16. Please provide any comments you have about Chapter 4 that are not already addressed by your responses above (please include comments on the Content Element Business Model [Section 4E] in your answer to questions 7-9 above rather than here). The main points raised by the framework that we have called attention are: E) BUSINESS MODEL: The framework says that organizations should submit all their business models, using diagrams and flows to demonstrate the "inputs", operating activities and "outputs". However, some companies such as financial, have numerous business models (equity, for example). I believe that the concept of materiality should also be considered by the Administration to present business models or present a consolidated model. D) STRATEGY AND RESOURCE ALLOCATION: We believe that the presentation of strategies and resource allocation issues are very sensitive, unlikely to be approached with due transparency required by the framework. The presentation of this information is unlikely to have financial bias, since it can directly affect the competitive advantage, which contradicts the very passage of the framework that deals with the disclosure of items that the strategy relates to competitive advantage.
Content Elements					16. Please provide any comments you have about Chapter 4 that are not already addressed by your responses above (please include comments on the Content Element Business Model [Section 4E] in your answer to questions 7-9 above rather than here). A suficiência das informações é um desafio. Como dosar o nível de detalhe das informações, principalmente sobre risco e governança, para garantir transparência sem expor desnecessariamente? The sufficiency of the information is a challenge. How does dose it the level of the information's detail, especially about risk and governance to ensure transparency without exposing unnecessarily?
Content Elements					16. Please provide any comments you have about Chapter 4 that are not already addressed by your responses above (please include comments on the Content Element Business Model [Section 4E] in your answer to questions 7-9 above rather than here). The Integrated Report includes the following elements: Organizational overview and external environment; Governance; Opportunities and risks; Strategy and resource allocation; Business model; Performance; Future outlook. These content elements are linked to each other and are not mutually exclusive. The content elements are therefore stated in the form of questions rather than as checklists of specific disclosures. An integrated report should stand alone as a concise communication, linked to other reports and communications for those stakeholders who want additional information.
Content elements	27	4.22	27	4.22	Suggestion: Companies must indicate its temporal references for the short, medium and long term, for better understanding of their business model. Suggest include: in which level Environmental and Social commitments are important into the Organization's strategy based on business ethics.
Content elements	29	4G	29	4G	We must consider again questions related to the company time perspectives, mainly when considered from the environment and social issues to the economic issues: Natural Capital is finite in the long run and has a different time perspective when related to financial perspective. Social Capitals has either different perspectives of evolution in time. So I suggest that those different visions on capitals should be considered separately and with more transparency. Mainly when relate to economic and financial report.
Content Elements					16. Please provide any comments you have about Chapter 4 that are not already addressed by your responses above (please include comments on the Content Element Business Model [Section 4E] in your answer to questions 7-9 above rather than here). No item 4.2 deveria estar explícito que a apresentação de qualquer informação deve ser apresentada de forma integrada, seja de forma verbal, escrita etc. No item 4.12 não está claro o que se quer dizer sobre informações quantitativas e qualitativas sobre a remuneração e incentivo. Item 4.2 should expressly state that any information should be presented on an integrated basis, whether verbally, in writing, etc. Item 4.12 is not clear about the meaning of quantitative and qualitative information about remuneration and incentive.
Content Elements					16. Please provide any comments you have about Chapter 4 that are not already addressed by your responses above (please include comments on the Content Element Business Model [Section 4E] in your answer to questions 7-9 above rather than here). No comments
Preparation and Presentation 5B The materiality determination process	30	7 (item 5.7)	30	9	"This requires judgment and will depend on the nature of the matter in question". <IR> should consider to mention the importance of issues/impacts of sectors publicly known in the market agents and/or academia (e.g. rating agencies, risks for valuation of a company etc) in the judgment of magnitude of matters.
Preparation and presentation	30	Item 5.9	30	Item 5.9	In the draft says: "Area of the effect internal and external to the organization". It could be more specific such as: geographic area, or economic area, social area, environmental area. The way it is might be too broad.
Preparation and presentation	31	Item 5.13	31	Item 5.13	It might be worth including the premises used to determine the threshold, and the reason for it. The intended user would be able to understand how the organization is "including" or "excluding" matter, what likelihood and magnitude is considered material for the organization.
Preparation and presentation	31	Item 5.15	31	Item 5.15	One of the key information might be the timing in which the organization expect to be effected by the matter; however, it is not listed as a key information in item 5.15.
Preparation and presentation	32	Item 5.22	32	Item 5.22	My doubt is related to time frames. It is possible that matters have a different timing of occurrence; therefore, some disclosures might have different time frames. This way, the draft might be more clear of such differences and how the organization should deal with it.
Preparation and Presentation 5A Frequency of reporting	30		30		A sugestão nesse subitem é de acrescentar o termo "contábil", como apresentado a seguir: "5.2. O processo de <IR> é concebido... respeitando o ciclo de divulgação contábil e financeira legal." My suggestion to this subsection is to add the term "accounting", as shown below: "5.2. The process is designed <IR> respecting the legal cycle of accounting and financial disclosure."
Preparation and Presentation 5G Reporting boundary 5.26	33		33		Nesse item sugiro acrescentar o termo "contábil": "A entidade responsável pelas informações contábeis e financeiras é essencial... porque: - É a entidade responsável pelas informações contábeis e financeiras...; - utilizar a entidade responsável pelas informações contábeis e financeiras... I suggest to add the term "accounting": "The entity that is in charge for the accounting and financial information is essential ... because: - The entity is in charge for financial and accounting information ...; - use the entity in charge for financial and accounting information ..."
Preparation and presentation					Involvement of those charged with governance (Section 5D) 17. Should there be a requirement for those charged with governance to include a statement acknowledging their responsibility for the integrated report? Why/why not? Yes, due to the responsibility of the board of directors. Credibility (Section 5E) report as a whole. 20. Please provide any other comments you have about Credibility (Section 5E). Assurance providers are particularly asked to comment on whether they consider the Framework provides suitable criteria for an assurance engagement. Difficulty in the understanding of aspects related to strategic matters.



Framework section/Content	Page	From the line	Page	To the line	Comments
Preparation and presentation	30	8	30	8	<p>5.8 Assessing the magnitude of a matter's effect does not imply that the effect needs to be quantified. Depending on the nature of the matter, a qualitative assessment may be more appropriate. An understanding of the perspectives of relevant stakeholders is critical to this assessment because stakeholder actions have the potential to affect the organization's ability to create value over time.</p> <p>Comentário: embora o efeito não necessite ser quantificado, quando não for praticável fazê-lo a empresa deverá emitir declaração neste sentido. Para tanto, o glossário deverá acrescentar a definição de "impraticável" contida no IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, reproduzida a seguir:</p> <p><i>Impracticable – Applying a requirement is impracticable when the entity cannot apply it after making every reasonable effort to do so.</i></p> <p>Comment: although the effect does not need to be quantified, when it is not feasible to do it, the company should declare in that sense. Because of this, the glossary should add the definition of Impracticable contained in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: <i>Impracticable – Applying a requirement is impracticable when the entity cannot apply it after making every reasonable effort to do so.</i></p> <p><i>Impracticable – Applying a requirement is impracticable when the entity cannot apply it after making every reasonable effort to do so.</i></p>
Preparation and presentation (Involvement of those charged with governance - Section 5D)					<p>17. Should there be a requirement for those charged with governance to include a statement acknowledging their responsibility for the integrated report? Why/why not?</p> <p>Entendimento: Entendemos que as informações a serem divulgadas no Relatório Integrado tem como objetivo comunicar sobre os fatores mais relevantes para criação de valor e riscos e ameaças para a empresa no curto, médio e, principalmente, longo prazo e para que este objetivo seja atingido é inerente a participação e comprometimento da Alta Administração no Relatório que é um informe corporativo. Desta forma entendemos não ser necessário um disclosure específico da administração ressaltando que tem ciência de sua responsabilidade sobre as informações do relatório integrado.</p> <p>Understanding: We understand that the information to be disclosed in the Integrated Reporting aims to communicate about the most relevant factors for value creation and risks and threats to the company in the short, medium and especially long-term and that this goal be achieved is inherent the participation and commitment of High Administration which is a corporate report. Thus we believe are not required a specific disclosure from the administration stressing that know their responsibility about the information from the integrated reporting.</p> <p>18. Please provide any other comments you have about involvement of those charged with governance (Section 5D).</p> <p>Entendimento: Não considero as declarações citadas no item 5.18 necessárias, pois acredito tomar o relatório repetitivo ao estabelecer a necessidade da administração em divulgar opinião/aceite sobre as informações do relatório.</p> <p>Understanding: I do not consider as needed the statements quoted in the item 5.18, because I believe make the report repetitive to establish the need for directors to disclose opinion/agree about the information reported.</p>
Preparation and presentation (Credibility - Section 5E)					<p>19. If assurance is to be obtained, should it cover the integrated report as a whole, or specific aspects of the report? Why?</p> <p>Entendimento: Entendemos que o processo de auditoria deve abranger todas as informações qualitativas e quantitativas descritas no Relatório Integrado de forma semelhante ao que ocorre na revisão das demonstrações financeiras atualmente divulgadas pelas organizações.</p> <p>Understanding: We understand that the audit process should cover all qualitative and quantitative information described in Integrated Reporting similarly to what occurs in the review of the financial statements disclosed by organizations nowadays.</p> <p>20. Please provide any other comments you have about Credibility (Section 5E). Assurance providers are particularly asked to comment on whether they consider the Framework provides suitable criteria for an assurance engagement.</p> <p>Entendimento: N/A</p> <p>Understanding: N/A</p>
Preparation and Presentation (Other)					<p>21. Please provide any other comments you have about Chapter 5 that are not already addressed by your responses above (please include comments on the materiality determination process [Section 5B] in answer to question 11 above rather than here).</p> <p>N/A.</p>
Preparation and Presentation (additional comment)					<p>De uma forma geral, consideramos o conteúdo do capítulo muito bom, visto que o mesmo é um framework e tem o objetivo de estabelecer os princípios a serem considerados na elaboração e apresentação das informações e não um modelo específico de divulgação.</p> <p>In general view, we consider the contents of the chapter very good, since it is a framework and aims to establish the principles to be considered in the preparation and presentation of information, not a specific model of disclosure.</p> <p>Acreditamos que o conteúdo proposto do capítulo (1 – Frequency of reporting a 9 – Use of Technology) contempla todos os aspectos relevantes para direcionar as instituições/profissionais quanto a adequação apresentação das informações.</p> <p>We believe that the proposed content from the chapter (1 - Frequency of reporting to 9 - Use of Technology) includes all relevant aspects to target institutions/professionals regarding the suitability of the information's presentation.</p>
Preparation and presentation					<p>Involvement of those charged with governance (Section 5D)</p> <p>17. Should there be a requirement for those charged with governance to include a statement acknowledging their responsibility for the integrated report? Why/why not?</p> <p>A maioria dos investidores entende que sim, deve ser incluída uma declaração.</p> <p>o Pontos de atenção: as áreas envolvidas no relato devem estar cientes de que suas ações/informações impactam as demais dimensões da companhia.</p> <p>o Deve-se verificar se essa declaração terá efeito legal (no futuro). Porém, há um investidor que entende que não, pois os responsáveis pela organização e seus relatos públicos já são definidos pela própria governança da empresa, ou pelas próprias leis nacionais.</p> <p>Most investors understand that statement must be included.</p> <p><input type="checkbox"/> Attention points: the areas involved in the report should be aware that their actions/ informations impacting others dimensions of the company.</p> <p><input type="checkbox"/> Should attest if this statement will have legal effect (in the future).</p> <p>However, there is an investor who understands not, because those responsible for the organization and its public reports are already stipulated in the company's governance or by their own national laws.</p> <p>18 - Se uma auditoria/asseguração for feita, esta deve cobrir o relatório integrado como um todo, ou aspectos específicos do relatório? Por que?</p> <p>o Sim. Acreditamos que os auditores devem desenvolver habilidades para auditar a estratégia, governança, etc, mas como um todo não só um pedaço. A auditoria/asseguração deve cobrir o relatório como um todo, certificando que o modelo de reporte seguiu as linhas gerais de designação IR. Desta forma não haverá segmentação de análise, contribuindo para uma integração mais consistente, uma vez que a correção se torna mais evidente.</p> <p><input type="checkbox"/> Yes. We believe that auditor's team should develop skills to audit strategy as well governance. But as the whole is not a part. The audit/assurance team should cover the report as a whole, ensuring that the reporting model follow the IR guidelines. Thus there is no analysis' segmentation, contributing to a more consistent integration, since the correlation becomes more evident.</p>
Preparation and presentation					<p>Involvement of those charged with governance (Section 5D)</p> <p>18. Please provide any other comments you have about involvement of those charged with governance (Section 5D).</p> <p>We believe that the statement of the governance body mentioned in paragraph 5.18 should be mandatory for the disclosure of the integrated report, with the purpose of boosting reliability of the target public and information credibility.</p>
Preparation and presentation					<p>Involvement of those charged with governance (Section 5D)</p> <p>17. Should there be a requirement for those charged with governance to include a statement acknowledging their responsibility for the integrated report? Why/why not?</p> <p>Yes. It is important to make sure that those charged with governance are aware about all information included on integrated report.</p>
Preparation and presentation					<p>Involvement of those charged with governance (Section 5D)</p> <p>17. Should there be a requirement for those charged with governance to include a statement acknowledging their responsibility for the integrated report? Why/why not?</p> <p>-Yes! Because in order to have the firm commitment is necessary to have a clear commitment and strategy in relation to IR coming from the top-down, ie, it is necessary then that the governance body to demonstrate your knowledge and responsibility in relation to IR, so use reporting tool integrated with the strategy.</p> <p>18. Please provide any other comments you have about involvement of those charged with governance (Section 5D).</p> <p>It would be interesting to understand how the engagement process of governance in the composition and use of integrated reporting.</p> <p>What is the IR for them?: Performance Tool;</p> <p>-Mapping Tool;</p> <p>-Communication Tool;</p> <p>19. If assurance is to be obtained, should it cover the integrated report as a whole, or specific aspects of the report? Why?</p> <p>-We believe that, at first, it is natural to audit the data that are traditionally audited, such as those related to economic performance, financial and accounting information. But you need to build a transition (?), providing for the expansion of audit coverage for non-financial data that are measurable. You will need to establish this new logic of audit. Do not believe it will be necessary to audit the entire report, but will always be required to inform exactly what was audited.</p> <p>Regarding the "assurance" of alignment to the IIRC's framework, we consider that it is not necessary.</p>
Presentation and presentation Credibility					<p>19. If assurance is to be obtained, should it cover the integrated report as a whole, or specific aspects of the report? Why?</p> <p>-We believe that, at first, it is natural to audit the data that are traditionally audited, such as those related to economic performance, financial and accounting information. But you need to build a transition (?), providing for the expansion of audit coverage for non-financial data that are measurable. You will need to establish this new logic of audit. Do not believe it will be necessary to audit the entire report, but will always be required to inform exactly what was audited.</p> <p>Regarding the "assurance" of alignment to the IIRC's framework, we consider that it is not necessary.</p>
Preparation and presentation					<p>Involvement of those charged with governance (Section 5D)</p> <p>17. Should there be a requirement for those charged with governance to include a statement acknowledging their responsibility for the integrated report? Why/why not?</p> <p>Yes, that could have the effect of conferring more reliability as per 3E.</p> <p>21. Please provide any other comments you have about Chapter 5 that are not already addressed by your responses above (please include comments on the materiality determination process [Section 5B] in your answer to question 11 above rather than here).</p> <p>With regards to 5F:</p> <p>We had an internal discussion regarding taking a sectoral approach to IR and would very much appreciate if that were reflected in the evolution of the IR framework, as we feel it would help in clarifying, and would at the least address, the matters of "time horizons" and "comparability": As an example, mining operations take place over a very long period and quite often we find ourselves being compared in terms of quality of actions and reporting regarding sustainability/ESG issues to business sectors that are much less complex (both in time horizon and core business) and where these comparisons are not fruitful in any way and many times have the effect of diminishing our actions relative to others. We feel as though this type of comparison does nothing to further general knowledge to the general public/stakeholders on what the contribution to sustainable development of different industry sectors can/should be.</p>



Framework section/Content	Page	From the line	Page	To the line	Comments
Preparation and presentation					<p>1. The definition of relevant matters, materiality and importance is not clear. For example, on page 30 par 5.4, relevant matters are those that can have an "effect on the organizations ability to create value over time." On the glossary, materiality is defined as matters, of relevance and importance, that can effect the "organization's ability to create value over the short, medium and long term." These are essentially the same. However, not all relevant matters will be considered material (page 30). An example would be useful.</p> <p>Furthermore, importance is also measured by the "known or potential effect on value creation" (pg 30, par 5.6). Confusing!! On paragraph 5.13 on page 31, after 7 paragraphs of the description on assessing importance, there is no mention of importance in the materiality determination process.</p> <p>2. This leads me to my second comment, the term "create value", used throughout the publication. It is usually used without qualifying the value. Leaving it vague can mean that value can be created for society, for natural capital, or all other 5 capitals. However, in a few instances, such paragraph 5.29 and 5.25, the word "financial" comes up. I would recommend inserting this word in the materiality definition in the glossary, so that it would be "effect on the ability of the financial reporting entity to create value over time." I think this would clarify significantly all other section of the IR framework.</p> <p>3. Assessing likelihood of short, medium and long term issues on the same scale will always lead to the prioritization of short term matters. To ensure this won't happen, I strongly suggest figure 6, on page 31 to include a this axis, time.</p>
Preparation and presentation					<p>Involvement of those charged with governance (Section 5D)</p> <p>17. Should there be a requirement for those charged with governance to include a statement acknowledging their responsibility for the integrated report? Why/why not? A declaração de supervisão do relato é importante pois confere credibilidade e também define um canal para esclarecimentos. Cada instituição tem seu próprio processo de trabalho e o mesmo deve ser brevemente descrito nesta declaração. The declaration of supervisor's reports is important because it gives credibility and defines a channel for clarification as well. Each institution has its own work process and the same should be briefly described in this statement.</p> <p>18. Please provide any other comments you have about involvement of those charged with governance (Section 5D). O processo de criação do relato varia de instituição para instituição. Por isso é importante que o mesmo seja brevemente descrito na declaração de supervisão do relato. The report's creating process varies from institution to institution. So it is important that it be briefly described in the account supervision statement.</p>
Preparation and Presentation Credibility					<p>19. If assurance is to be obtained, should it cover the integrated report as a whole, or specific aspects of the report? Why?</p> <p>A asseguração total é um ideal a ser perseguido e será alcançado gradativamente. Numa primeira etapa poderiam ser foco da acreditação o processo de definição da materialidade e escuta dos interessados. The assurance total is an goal to be pursued and will be achieved gradually. At first it the process for determining materiality and stakeholder listening could be the accreditation's focus.</p>
Preparation and Presentation (Involvement of those charged with governance)					<p>17. Should there be a requirement for those charged with governance to include a statement acknowledging their responsibility for the integrated report? Why/why not?</p> <p>Ponto Chave Parecer dos Responsáveis pela Governança Argumentação • reforça e assegura preceitos de credibilidade, confiabilidade, integridade e materialidade Entretanto, acreditamos que: • não há a necessidade de desenvolver um "parecer" que reconheça o papel da equipe de Governança • a sua participação está implícita em todos os processos da organização • cabe à Administração optar pela elaboração deste "parecer" ou, em nossa opinião, mencionar sucintamente o processo de governança praticado pela organização, informando a estrutura e o modelo de gestão adotados, os principais controles realizados, a existência de comitês específicos para definição de assuntos relevantes, entre outros.</p> <p>Key Point: Opinion of Responsible for Report Governance. Argumentation: • reinforces and ensures precepts of credibility, reliability, completeness and materiality. However, we believe that: • there is no need to develop a "opinion" that recognizes the role of team's Governance • Your participation is implicit in all the organization's processes • fits to the Administration choose to prepare this "opinion" or, in our opinion, to mention briefly the process of governance practiced by the organization, reporting structure and management model adopted, the main controls performed, the existence of specific committees to define relevant issues among others.</p> <p>18. Please provide any other comments you have about involvement of those charged with governance</p> <p>Ponto Chave Responsabilidade dos responsáveis pela Governança Argumentação Entendemos que: • a equipe responsável pela Governança deva participar ativamente do processo de transição para o reporting integrado • bem como em qualquer outro processo que envolva risco para a organização. • cabe exclusivamente à organização definir como a equipe de Governança deva interagir com este processo</p> <p>Key Point of responsible's in charge for Governance. Argumentation - We understand that: • staff in charge for governance should actively participate in the process of transition to integrated reporting • as well as any other process involving risk to the organization. • Organization is exclusively in charge to define how the Governance team must interact with this process</p>
Preparation and Presentation (Credibility)					<p>19. If assurance is to be obtained, should it cover the integrated report as a whole, or specific aspects of the report? Why?</p> <p>Ponto Chave Aseguração das informações financeiras e não financeiras Argumentação • um dos pilares para elaboração de relato integrado • uma das principais exigências feitas pelos stakeholders. • a asseguração das informações financeiras e não financeiras se torna essencial para alcançar a credibilidade desejada. Exemplo: Como grande parte das organizações elaboram inúmeros relatórios ao longo do exercício, acreditamos que os processos de asseguração utilizados para validar tais informações são suficientes para garantir a veracidade destas informações. Já as inter-relações feitas, devem ser auditadas com o objetivo de evitar eventuais desconexões.</p> <p>Key Point Assurance of financial and non-financial information. Argumentation: • one of the pillars for the development of integrated reporting • one of the main demands made by stakeholders. • the assurance of financial and non-financial information becomes essential to achieve the desired credibility. Example: As most organizations produce numerous reports throughout the year, we think that the process of assurance performed to validate such information are sufficient to ensure the accuracy of that information. Interrelationships made shall be audited in order to avoid any disconnection</p> <p>20. Please provide any other comments you have about Credibility (Section 5E). Assurance providers are particularly asked to comment on whether they consider the Framework provides suitable criteria for an assurance engagement.</p> <p>Ponto Chave Framework específico para asseguração das informações – empresas de auditoria Argumentação O Framework não aborda: • conceitos ou exigências sobre a atuação das empresas de auditoria externa no processo de asseguração das informações (como a mensuração de ativos intangíveis, a asseguração de escopo de trabalho e outras informações qualitativas) • mas poderia fornecer um anexo ao framework específico para empresas de auditoria que estabeleça padrões para medição e validação destas informações. • poderia reduzir possíveis interpretações singulares e ampliar a capacidade de comparabilidade dos relatos</p> <p>Key Point - Specific framework for assurance of information - auditing firms. Argumentation - The framework does not address: • concepts or requirements on the performance of the external auditors in the process of assurance of information (such as the measurement of intangible assets, the assurance of the scope of work and other qualitative information) • Could provide a framework attached to specific audit firms to establish standards for measurement and validation of that information. • But reduce possible interpretations and expand the capacity of comparable reports</p>
Preparation and Presentation (Other)					<p>21. Please provide any other comments you have about Chapter 5 that are not already addressed by your responses above (please include comments on the materiality determination process [Section 5B] in your answer to question 11 above rather than here).</p> <p>Ponto Chave XBRL Argumentação Entendemos que: • sugestões propostas pelo Framework no capítulo 5 visam exclusivamente o interesse dos investidores Exemplo: A adoção de uma ferramenta única para consulta de informações, o XBRL. • teria grande utilidade para os investidores, organizações e analistas de mercado, • excluiria outros stakeholders que não necessitam deste tipo de informação. • poderia desestimular os usuários a utilizar o relato integrado.</p> <p>Key Point XBRL. Argumentation - we understand that: • suggestions proposed by the Framework in Chapter 5 are exclusively investor's interest. Example: The adoption of a single tool for consultation, XBRL. • have great utility for investors, organizations and market analysts • exclude other stakeholders that do not need this kind of information. • could discourage users to use the integrated reporting.</p>



Framework section/Content	Page	From the line	Page	To the line	Comments
Preparation and presentation					<p>Involvement of those charged with governance (Section 5D)</p> <p>17. Should there be a requirement for those charged with governance to include a statement acknowledging their responsibility for the integrated report? Why/why not? Those charged with governance have ultimate responsibility for how the organization's strategy, governance, performance and prospects lead to value creation over time. They are responsible for ensuring that there is effective leadership and decision-making regarding <IR>, including the identification and oversight of the employees actively involved in the <IR> process.</p> <p>18. Please provide any other comments you have about involvement of those charged with governance (Section 5D). Those charged with governance may also include a statement from that body regarding the following matters: an acknowledgement of its responsibility to ensure the integrity of the integrated report; that it has applied its collective mind to the preparation of the integrated report and the information it contains; its opinion or conclusion about whether the report is presented in accordance with the Framework.</p> <p>Credibility (Section 5E)</p> <p>19. If assurance is to be obtained, should it cover the integrated report as a whole, or specific aspects of the report? Why? Integrated report requires: internal control systems, which may include an internal audit or similar function. Also requires performance certifications or compliance assessments. The organizations also may seek independent, external assurance to enhance the credibility of their reports. If the report is integrated, the assurance obtained should cover the integrated report as a whole. Because of the integration itself. If only one content of the <IR> is not assured and it is integrated to the other contents, all of them assured, the whole report becomes unassured.</p> <p>20. Please provide any other comments you have about Credibility (Section 5E). Assurance providers are particularly asked to comment on whether they consider the Framework provides suitable criteria for an assurance engagement. Credibility involves qualities that the <IR> has that make people believe or trust it. Assurance providers are asked to comment the <IR> in order to make it assured. The Framework provides reporting criteria against which organizations and assurance providers assess a report's adherence, it does not provide the protocols for performing assurance engagements.</p> <p>Other</p> <p>21. Please provide any other comments you have about Chapter 5 that are not already addressed by your responses above (please include comments on the materiality determination process [Section 5B] in your answer to question 11 above rather than here). We didn't mention reporting boundary, yet. Reporting boundary is the range of entities over which the organization exercises control (aligned with financial reporting definitions) or over which it has the ability to influence. This includes both upstream and downstream entities. GA will define boundary as "the range of value chain elements or areas covered in the report for each material topic. In setting the boundaries for material topics, an organization should consider impacts throughout its entire value chain, regardless of whether it exercises control or influence over the elements in its value chain." The financial reporting entity is central to the reporting boundary because: it is the financial reporting entity that provides financial capital, the primary intended users of an integrated report, invest in and therefore need information about; using the financial reporting entity enables the information in the financial statements to serve as an anchor or point of reference to which the other information in an integrated report can be related as appropriate.</p>
Preparation and presentation	30	5A	30	5A	<p>What does it mean: " In addition, it is anticipated that an independent integrated report be prepared annually as the statutory financial reporting cycle." If I understand correctly this statement should be in the beginning as suggested in the overview in order to clarify the confusion in some topics between "process of IR(Reporting) and Integrated Report. In essence, Integrated Reporting is a interim company process and the integrated report will be presentation of results and quantitative and qualitative guidances in the way that all reports will be based on same information, no matter if creates or destroy values.</p>
Preparation and presentation					<p>Involvement of those charged with governance (Section 5D)</p> <p>17. Should there be a requirement for those charged with governance to include a statement acknowledging their responsibility for the integrated report? Why/why not? Deve. Isso pode ser feito nas tradicionais mensagens do CA (Conselho de Administração). É uma forma de responsabilização da informação que evitaria assimetrias ou desvios no relato. Uma das premissas para o relato integrado de uma forma mais fácil é a integração da agenda ESG no planejamento estratégico, e assim, no processo de tomada de decisão da empresa. A declaração feita por um órgão de tal faixa hierárquica, como o CA, mostra que a empresa integra a sustentabilidade na sua tomada de decisão e que reconhece sua importância para os negócios, e que pode sim, no longo prazo, se tornar uma fonte de vantagem competitiva. E outra questão importante a ser levada em consideração, e que assim como a SOX determinou que o CEO e CFO, devem atestar que as DCs são fidedignas e verdadeiras, isso deveria valer para todo e qualquer relato. Yes. This may be made in the traditional BA (Board of Directors) messages. It is a manner of attributing responsibility for information which would avoid asymmetry or departures in the report. One of the premises for the integrated reporting in an easier manner is the integration of ESG agenda in strategic planning and, thus, in the company's decision making process. The assertion made by a body of such a high hierarchical level, such as the BA, shows that the company integrates sustainability in its decision making and acknowledges its importance for businesses and may, in the long term, become a leading edge source. Another important issue to be taken into consideration, and as determined by SOX that the CEO and CFO should attest that the FS are reliable and true, this should apply to any and all report.</p> <p>18. Please provide any other comments you have about involvement of those charged with governance (Section 5D). Sem comentários adicionais. No additional comments.</p> <p>Credibility (Section 5E)</p> <p>19. If assurance is to be obtained, should it cover the integrated report as a whole, or specific aspects of the report? Why? Em sua totalidade, pois as informações serão integradas por definição. Deve haver procedimentos de auditoria para todo tipo de informação, tanto econômico, social e ambiental, afinal se todas as informações que estão no relato podem impactar a tomada de decisão do usuário do relato, então todo ele deve ser verificado e/ou auditado. In full, because information will be integrated by definition. There should be audit procedures for all types of information, whether economic, social and environmental, since if all information contained in the report may impact decision making by report users, it should be fully reviewed and/or audited.</p> <p>20. Please provide any other comments you have about Credibility (Section 5E). Assurance providers are particularly asked to comment on whether they consider the Framework provides suitable criteria for an assurance engagement. Esse aspecto é importante para os stakeholders da organização. Transmitir credibilidade de informações a esse público e ter credibilidade com eles é fundamental para o relacionamento e assegurar a longevidade do negócio. Importante manter a escrita "Auditoria Externa Independente", pois as palavras tem impacto e forte significado, a auditoria não basta ela ser externa tem que ser independente, ou seja se possível sem nenhum outro vínculo com a empresa. This aspect is important for the stakeholders of the organization. To convey credibility of information to this public and to have credibility with them is fundamental for the relationship and for ensuring business longevity. It is important to maintain the wording "Independent External Audit" since words have impact and strong meaning, it is not enough to be external audit it must be independent, i.e. if possible without any other link with the company.</p> <p>Other</p> <p>21. Please provide any other comments you have about Chapter 5 that are not already addressed by your responses above (please include comments on the materiality determination process [Section 5B] in your answer to question 11 above rather than here). Se a empresa compra outra empresa, no relato seguinte ela já tem que incorporar as questões contábeis-financeiras em suas DCs, deveria agir da mesma forma com as informações socioambientais. If the company buys another company, in the following report it should incorporate financial and accounting issues in its FS, thus this should also apply to social and environmental information.</p>
Preparation and presentation					<p>Involvement of those charged with governance (Section 5D)</p> <p>17. Should there be a requirement for those charged with governance to include a statement acknowledging their responsibility for the integrated report? Why/why not? Any requirement for those charged with governance to provide a statement should be consistent with and should limit the imposition of further burdens in addition to those already prescribed by national codes and laws. For example, in the UK such a statement would be acceptable only as an addition to existing compatible provisions, such as Rule 7.2 of the Financial Conduct Authority's Disclosure and Transparency Rule.</p> <p>18. Please provide any other comments you have about involvement of those charged with governance (Section 5D). There is insufficient acknowledgement in the Framework that the actions and decisions of those charged with governance might already be influenced, constrained or dictated by governance provisions contained in laws or codes prescribed by national regulators. We invite the IIRC to consider adding text or supplementary material to the framework that explains how those charged with governance should reconcile the duties imposed on them by national regulators with the expectations of Integrated Reporting.</p> <p>Credibility (Section 5E)</p> <p>19. If assurance is to be obtained, should it cover the integrated report as a whole, or specific aspects of the report? Why? From a practical point of view and given the need for assurance to be based on suitable subject matter and criteria, we do not think that it is practicable or possible for assurance to be obtained for the whole of an integrated report. There are aspects of Integrated Reporting that are already covered in management commentary and certain statutory disclosures, presumably assurance obtained under existing International Auditing and Assurance Standards for those aspects of reporting may be referenced for the purposes evidencing assurance of parts of an integrated report. Our experience of climate change-related reporting suggests that the evolution of reporting will be assisted by allowing a wider variety of "checking" approaches to information contained in an integrated report than has traditionally been acknowledged by the accounting profession. In addition to assurance as understood and applied by the accounting profession, we encourage the IIRC to consider the relative merits of allowing "assurance" to be obtained through multiple channels including verification procedures applied by consultants specializing in particular types of information (eg: greenhouse gas emissions). We also encourage the IIRC to explain whether and to what extent the "combined assurance" approach that has been adopted for the purposes of King III may be applied more generally to Integrated Reporting.</p> <p>20. Please provide any other comments you have about Credibility (Section 5E). Assurance providers are particularly asked to comment on whether they consider the Framework provides suitable criteria for an assurance engagement. We are not sure what purpose section 5E serves. It makes various statements of fact, such as that organizations use a variety of internal controls to check that they have complete and reliable information. Paragraph 5.19 goes on to list the sorts of approach companies currently use to reassure those charged with governance that information is complete and reliable and to say that those approaches are important. Paragraph 5.20 makes the statement of fact that some organizations seek independent assurance to enhance credibility. Paragraph 5.21 confirms that the framework does not set out criteria for conducting assurance engagements. There is nothing in Section 5E to tell a company what it should do. It simply makes factual statements about certain current practices and says that they are important without giving any indication as to their relative merits for IR purposes. We suggest that the whole section is deleted OR that the IIRC sets out what it considers necessary for an integrated report to be regarded as credible. Paragraph 5.19 suggests that credibility is linked with completeness and reliability and we therefore wonder why section 5E is needed in addition to section 3E.</p>
Preparation and presentation					<p>Other</p> <p>21. Please provide any other comments you have about Chapter 5 that are not already addressed by your responses above (please include comments on the materiality determination process [Section 5B] in your answer to question 11 above rather than here). We agree that the role of technology is to enable a level of Connectivity of information (as stated in paragraph 5.35). Established technologies such as extensible Business Reporting Language (XBRL) enable not only the connectivity and comparability of information within an integrated report, but also between other reports across corporations and years. We therefore recommend that the IIRC considers whether to create an XBRL taxonomy referencing existing taxonomies (dependent on referencing other standards in the framework) or to provide guidance on consolidating existing taxonomies (i.e. digital representations of standards) to create an integrated report. The Council may also consider the use of inline XBRL to enable a human-readable format without the need for specialist software.</p>
Overall view					<p>22. Recognizing that <IRs> will evolve over time, please explain the extent to which you believe the content of the Framework overall is appropriate for use by organizations in preparing an integrated report and for providing report users with information about an organization's ability to create value in the short, medium and long term? For long term is appropriate, for short and medium terms other existing reports are already appropriate.</p>



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Overall view					<p>22. Recognizing that <IR> will evolve over time, please explain the extent to which you believe the content of the Framework overall is appropriate for use by organizations in preparing an integrated report and for providing report users with information about an organization's ability to create value in the short, medium and long term?</p> <p>O uso das organizações na elaboração de um relatório integrado</p> <ul style="list-style-type: none"> - Fornecer aos usuários de relatórios informações sobre a capacidade da organização criar valor no curto, médio e longo prazo. o O IR orienta a visão das organizações como sistemas dinâmicos, o que facilitará a integração das diretrizes das iniciativas (PRI, CDP, GRI, NCD) e suas filosofias em um único relatório no futuro. o A ideia de criar valor é fundamental para orientar as organizações à reflexão sobre a perenidade. O que se faz, faz e fará bons negócios mercedores de investimentos. o A forma de apresentação, aliada ao processo de materialidade, é imprescindível para que os usuários destas informações utilizem o material de maneira efetiva e concreta. <p>- The use of organizations in the development of an integrated report.</p> <ul style="list-style-type: none"> - Provide to reporting's users information about the organization's ability to create value in the short, medium and long term. o The IR orients the organizations' view as dynamic systems, which will facilitate the integration of guidance initiatives (PRI, CDP, GRI, NCD) and their philosophies in a single report in the future. o The idea of creating value is critical to guide organizations to reflect on the continuity. What did, does and will do good business worthy investment. o The presentation form, coupled with the materiality process are essential for information's users utilizing the material in an effectively and concrete way.
Overall view					<p>22. Recognizing that <IR> will evolve over time, please explain the extent to which you believe the content of the Framework overall is appropriate for use by organizations in preparing an integrated report and for providing report users with information about an organization's ability to create value in the short, medium and long term?</p> <p>Integrated process is the future since all companies need to have all their sectors connected, having the same information to disclosure and to do internal analysis. It is important to figure out more possibilities than an integrated report to help companies to have integrated process and thinking. Also, it is important to have a better quality of reports, avoiding information duplicated and doing a proper communication.</p>
Overall view					<p>22. Recognizing that <IR> will evolve over time, please explain the extent to which you believe the content of the Framework overall is appropriate for use by organizations in preparing an integrated report and for providing report users with information about an organization's ability to create value in the short, medium and long term?</p> <p>Upcoming releases:</p> <ol style="list-style-type: none"> 1 - Definition of "value"; 2 - Tools to appraise the different capitals; 3 - Standardization of the valuation of the different capitals, not necessarily financially;
Overall view					<p>22. Recognizing that <IR> will evolve over time, please explain the extent to which you believe the content of the Framework overall is appropriate for use by organizations in preparing an integrated report and for providing report users with information about an organization's ability to create value in the short, medium and long term?</p> <p>Currently the opinion is it that it seems appropriate. But, we believe the appropriateness of the framework will become more evident if it evolves into something that takes into account the complexity of reporting for different business/industry sectors. This speaks directly to the ability of the framework to demonstrate the value created over time by a company.</p> <p>We miss some statement regarding the matter "valuation of ecosystem services" and the relationship with the IR. There are some people thinking that an IR means that companies will need to value ecosystem services, while we think that this is not the only way to do an IR.</p>
Overall view					<p>22. Recognizing that <IR> will evolve over time, please explain the extent to which you believe the content of the Framework overall is appropriate for use by organizations in preparing an integrated report and for providing report users with information about an organization's ability to create value in the short, medium and long term?</p> <p>A proposta do <IR> melhora substancialmente a qualidade do relato produzido, mas requer que a instituição se prepare para tal em um processo gradual de aperfeiçoamento dos relatos produzidos.</p> <p>The <IR> proposed substantially improves the quality of the report produced, but requires that the institution prepare itself to do so in a gradual process of improvement of the reports produced.</p>
Overall view					<p>22. Recognizing that <IR> will evolve over time, please explain the extent to which you believe the content of the Framework overall is appropriate for use by organizations in preparing an integrated report and for providing report users with information about an organization's ability to create value in the short, medium and long term?</p> <p>The content of the Framework overall is appropriate for use by organizations in preparing an integrated report and for providing report users with information about an organization's ability to create value in the short, medium and long term.</p>
Overall view					<p>22. Recognizing that <IR> will evolve over time, please explain the extent to which you believe the content of the Framework overall is appropriate for use by organizations in preparing an integrated report and for providing report users with information about an organization's ability to create value in the short, medium and long term?</p> <p>We very much support the objectives of Integrated Reporting and congratulate the IIRC for developing a framework that helpfully brings together many elements of existing reporting practice. However, as noted in our answer to question 24 below, we contend that the IR Framework will be successful and make a difference only when and if the context for the application process set out in the framework is made clear. That context will apply equally to reporters and users of information.</p>
Development of <IR>					<p>23. If the IIRC were to develop explanatory material on <IR> in addition to the Framework, which three topics would you recommend be given priority? Why?</p> <p>Materiality specific to each sector and each business characteristics. Investors decision making information</p>
Development of <IR>					<p>23. If the IIRC were to develop explanatory material on <IR> in addition to the Framework, which three topics would you recommend be given priority? Why?</p> <p>o O IR é um modelo de reporte e não de relatório; o Tem enfoque no modelo de negócio e na criação de valor das organizações ao longo do tempo; o E, em como este valor se manifesta nos diversos capitais da organização (financeiro, industrial, intelectual, humano, social e relacional e natural). Porque abrange seu propósito e conceitos básicos. Forma: Relato conciso e padronizado. Desta maneira permite comparabilidade e facilidade na busca por informações. Materialidade Setorial: Para ratificar a importância da materialidade, entendemos ser fundamental que cada setor compreenda os temas que são relevantes. É comum que haja interpretações equivocadas de questões extra-setoriais, compreendendo, assim, a busca das questões relevantes. o IR is a report model not a reporting; o It focus on business model and value creation of organizations over time; and o How this value is manifested in various organization's capitals (financial, industrial, intellectual, human, social and relational and natural). Because it covers its purpose and basic concepts. Form: Concise and standardized reporting. Thus allows comparability and ease in finding information. Sectorial Materiality: To testify the importance of materiality, we believe it is essential that each sector understands the relevant issues. It is common that there is misinterpretation of extra-sectorial issues, thus compromising the pursuit of the relevant issues.</p>
Development of <IR>					<p>23. If the IIRC were to develop explanatory material on <IR> in addition to the Framework, which three topics would you recommend be given priority? Why?</p> <p>For us, it is not clear yet how the target public would like to view related value creation drivers (financials, non-financials and values). An idea would be the provision of examples mentioned by the investors in the IIRC meetings with the companies participating in the pilot project.</p>
Development of <IR>					<p>23. If the IIRC were to develop explanatory material on <IR> in addition to the Framework, which three topics would you recommend be given priority? Why?</p> <p>Integrated Process, Integrated Thinking and Obligation of an integrated report, because the integrated process and thinking are the main objectives. Also the obligation of an integrated report is what the market want to know.</p>
Development of <IR>					<p>23. If the IIRC were to develop explanatory material on <IR> in addition to the Framework, which three topics would you recommend be given priority? Why?</p> <ol style="list-style-type: none"> 1 - How to value intangible assets; 2 - Explore materiality in different sectors; 3 - Benchmarking
Development of <IR>					<p>23. If the IIRC were to develop explanatory material on <IR> in addition to the Framework, which three topics would you recommend be given priority? Why?</p> <ol style="list-style-type: none"> 1. Material on conciseness vs. industry/business complexity 2. Categories and descriptions of the capitals (components within each capitals mentioned previously regarding the bullets under section 2.28). 3. Further work on value creation and destruction as related to trade-offs and business rationale behind those decisions.
Development of <IR>					<p>23. If the IIRC were to develop explanatory material on <IR> in addition to the Framework, which three topics would you recommend be given priority? Why?</p> <p>Cartilhas para segmentos e portes específicos começando com cartilhas para instituições de governo e para micro e pequenas empresas. Primers for segments and specific sizes, starting with primers to government institutions and small and medium enterprises.</p>
Development of <IR>					<p>23. If the IIRC were to develop explanatory material on <IR> in addition to the Framework, which three topics would you recommend be given priority? Why?</p> <p>If the IIRC were to develop explanatory material on <IR> in addition to the Framework, I'd recommend be given priority to the reporting boundary, because we all would like to know it better. I suppose so.</p>
Development of <IR>					<p>23. If the IIRC were to develop explanatory material on <IR> in addition to the Framework, which three topics would you recommend be given priority? Why?</p> <p>Qual o caminho para implementar esse processo. A base de tudo deve ser o envolvimento da alta administração e o alinhamento entre as diversas áreas na produção do relato integrado. Materialidade, Governança corporativa e desenvolvimento econômico-ambiental. Porque materialidade é importante para a definição dos temas prioritários para a empresa e seus stakeholders, com essa definição irá nortear o reporte do relato, governança corporativa, pois é a forma de gestão da empresa, na qual deve incluir a sua gestão estratégica, seus riscos e oportunidades para o seu negócio, e, desenvolvimento econômico-ambiental como a empresa se desenvolve respeitando o meio ambiente, quais ações que realiza para mitigar os efeitos de seu desenvolvimento. Focar em Desempenho (especialmente como serão as interações das informações) e Interação com outros relatos e comunicações (dar foco de como haver essa interação, de modo que não haja informação duplicada ou omitida e principalmente, com vários critérios de levantamento, o que complicaria o trabalho de publicação). Como tratar temas socioambientais nas DCs – se os temas socioambientais podem impactar na tomada de decisão de investidores, e para estes o que esta na contabilidade é fundamental para a tomada de decisão. Como o relatório de sustentabilidade pode expressar o impacto contábil-financeiro. What is the way to implement this process? The basis of everything should be the involvement of senior management and alignment between the various areas in the production of the integrated reporting. Materiality, corporate Governance and economic and environmental development. Because materiality is important for the definition of priority matters for the company and its stakeholders. This definition will guide the reporting and corporate governance, since it is the form of company management, in which there should be inclusion of its strategic management, its risks and opportunities for its business; and, economic and environmental development, how the company develops respecting environment, the actions it performs to mitigate the effects of its development. Focus on Performance (especially the manner in which information will be interlinked) and interaction with other reports and communications (focus on the manner of this interaction, to avoid information in duplicate or omitted and, mainly, with several collection criteria, which would make the publication work more difficult). How to treat social and environmental matters in the FS – if the social and environmental matters may impact decision making by investors, and for these what is in accounting is fundamental for decision making. How the sustainability report may express the financial and accounting impact.</p>



International Integrated Reporting Council (IIRC) - Comment process for
 Prototype of The International <IR> Framework
 Brazilian Commission for <IR> Communication

GT 1 - Exposure Draft | Coordinated by Ernst & Young Brazil (Meire Ferreira) | April-July, 2013

Framework section/Content	Page	From the line	Page	To the line	Comments
Overall view					22. Recognizing that <IR> will evolve over time, please explain the extent to which you believe the content of the Framework overall is appropriate for use by organizations in preparing an integrated report and for providing report users with information about an organization's ability to create value in the short, medium and long term? A estrutura geral terá o alcance importante de acordo com a quantidade e tipo de informações que forem reportadas, pois impactará públicos diferentes com seus interesses específicos. Deveria explicitar mais o que faz parte do relato integrado, poderia usar como analogia o Pronunciamento Conceitual Básico do IFRS, que é bem pragmático. The general structure will have important scope based on the volume and type of information that is reported, since it will impact different publics with their specific interests. It should more explicitly express what comprises the integrated reporting, it could use analogously the IFRS Framework, which is quite pragmatic.
Overall view					22. Recognizing that <IR> will evolve over time, please explain the extent to which you believe the content of the Framework overall is appropriate for use by organizations in preparing an integrated report and for providing report users with information about an organization's ability to create value in the short, medium and long term? We very much support the objectives of Integrated Reporting and congratulate the IIRC for developing a framework that helpfully brings together many elements of existing reporting practice. However, as noted in our answer to question 24 below, we contend that the IR Framework will be successful and make a difference only when and if the context for the application process set out in the framework is made clear. That context will apply equally to reporters and users of information.
Other					24. Please provide any other comments not already addressed by your responses to Questions 1-23. The IIRC initiative is necessary and fundamental. All society demands for confidence, credibility, inclusion, preservation. When we say "create value in the short, medium and long term", this value cannot be only money, but more than this, something like faith in a better future for the Earth and its inhabitants.
Other					24. Please provide any other comments not already addressed by your responses to Questions 1-23. We very much support the IIRC and its work and the development of the IR Framework. We share the IIRC's objective to prompt an evolution in corporate reporting and we share some of your members and contributors. As noted above, we think that there are opportunities for streamlining and simplifying the IR Framework. As a suggested start, we attach as an appendix a suggested one page view of Integrated Reporting. Many of the concepts set out in the Draft IR Framework have already been proposed and developed by others over the years, for example, Forum for the Future and the Sigma Project have both published guidance very similar to what the Draft IR Framework says about the capitals. We think that if the IIRC is to succeed where others have failed to gain traction for similar ideas, the context for and objectives of IR must be clearly presented. In a context-based approach to Integrated Reporting, value creation and materiality would be interpreted by reference to thresholds and parameters established through stakeholder engagement and evidence about the carrying capacity and limits of capitals on which stakeholders and companies rely for well-being and continuance. Interconnections between corporate activity, society and the environment would therefore be understood in terms of what the corporation, society and the environment can tolerate and still survive. As it currently stands, an integrated report simply requires a company to report THAT it uses, changes and affects capitals. There are no stated or even implied limits to the use of those capitals in the framework or other material produced by the IIRC. Paragraphs 2.28 and 2.39 refer to the fact that planetary limits can render a business vulnerable (which we regard as an unnecessary statement of the obvious), and that IR supports value creation within planetary limits and societal expectations. From a reporting point of view there is no evidence of the nature of that support and no requirement for a company to make a statement about the actions it has taken to ensure that it is "creating value" within those limits and expectations and that it is innovating or exercising restraint in order to protect those limits and expectations. We respectfully submit that with all of the power assembled through the IIRC's Council, the IIRC could make much bolder and more ambitious statements about the fact that IR MUST show how organizations are creating value that supports sustainable development and financial stability objectives and that serves the public interest. In the long term, we suggest that there is also a role for the IIRC in requiring providers of financial capital to demonstrate that they are making decisions and allocating capital actively to support organizations that do so.
Other					24. Please provide any other comments not already addressed by your responses to Questions 1-23. Em relação a questão 23, deve ter um material explicatório sobre a integralidade do material. Não utilizar o termo "Encarregados pela Governança" usar o termo "Alta Administração". Dar mais exemplos ao longo do Framework. Ao longo do framework tem a seguinte frase "Uso prático para o usuário do relatório". Intensificar o uso desta frase e sempre vir acompanhado de exemplos. In relation to question 23, there should be an explanatory material about completeness of material. Do not use "Those Incumbent for Governance" use "Senior Management". Give more examples along the Framework. Along the framework there is the following phrase "Practical use for users of the report". Increase use of this phrase always accompanied by examples.
Glossary	36		36		Add the definition of "Value", "Externality and Externalities" as well as each Capital definition (not just the meaning of "capitals")
Other					Please provide any other comments not already addressed by your responses to Questions 1-23. Sugestões: 1- Incluir no texto do framework que a proposta atende a qualquer público alvo que a instituição que reporta julgar relevante e não exclusivamente aos detentores do capital financeiro 2- avaliar a formação de processo de "revisão por pares" entre as empresas do projeto piloto pertencentes ao mesmo segmento com o intuito de coletar observações apontadas por quem conhece e experiência a adoção do relato integrado nos moldes da proposta do <IR>. Sugestões: 1 - Include in the framework text that the propose suits to any target audience that the institution whose reports deems relevant and not exclusively to financial capital holders. 2 - Evaluate the "peer review" training process among companies in the pilot belonging to the same segment in order to collect comments made by those who know and experience the adoption of integrated reporting along the lines of the <IR> proposal.
Glossary					To improve the glossary with words such as "uncertainty, boilerplate, stock, etc."
Glossary					Add the definition of Impracticable contained in IAS B Accounting Policies, Changes in Accounting Estimates and Errors: Impracticable – Applying a requirement is impracticable when the entity cannot apply it after making every reasonable effort to do so. Impracticable – Applying a requirement is impracticable when the entity cannot apply it after making every reasonable effort to do so.
General comments					One of the most relevant comment in our understanding is "refers to the importance of the company to inform the investor profile in order to help the understanding the structure of the underlying materials issues". We know that the material information varies depending on the topology of investors. Demands of Pension Funds are different from non institutional investors.
General comments					1º Ponto: O Framework inteiro menciona a expressão: Relatório Integrado, invés do Relato Integrado; 2º Ponto: Na página nº 06, Princípios de Orientação, Conectividade da informação, terceira linha, esta escrito: inter-relação, invés de interrelação; 3º Ponto: Esta sendo utilizado o seguinte termo: Responsividade das partes interessadas, nas páginas 05 (Sumário), 06 (princípios de orientação), 18 (princípios de orientação), 19 (item 3C), 20 (item 3.17), GT-2 entende que esse texto é pouco confuso e não consegue transmitir claramente o objetivo. A proposta do GT-2 é: "Comunicação com as partes interessadas"; 4º Ponto: Esta sendo utilizado o termo: Fornecedores de Capital Financeiro, nas páginas 08 (item 1.7), 09 (item 1.20), 16 (item 2.37) e (item 2.38), sugestão de utilizar o termo: Provedores de Capital Financeiro, invés de Fornecedores de capital financeiro, que pode ser confundido com o termo "fornecedores na contabilidade"; 5º Ponto: página 08, item 1.10, o termo com as adaptações necessárias, sugestão mudaria este termo, pois a ideia do Framework é a validação de uma "estrutura conceitual" aplicado a todas as empresas independente do seu porte ou formação jurídica, sugestão... aplicado de forma "simplificada" ou "reduzida", pelo setor público e por organizações sem fins lucrativos; 6º Ponto: página 06, Princípios de Orientação, Consistência e Comparabilidade e Página 23, item 3.51, sugestão de alteração do termo: ...comparação com outras organizações... para uso do seguinte termo: ...comparação com outras organizações do mesmo setor, ramo de atuação ou interesses comuns, pois a ideia do Framework não é criar uma versão "engessada" para todas as empresas; 7º Ponto: página 15, item 2.30, sugestão alterar a expressão...conversão de insumos em produtos entregáveis através de atividades de negócios... para a expressão...conversão de insumos em entregáveis (produtos, serviços, subprodutos e desperdícios) através de atividade de negócios... esta sugestão em consonância com a expressão usada na página 11, item 2.9; 8º Ponto: página 12, item 2.17, sugestão de alteração do termo: Capital financeiro: o pool de fundos... para o termo: Capital financeiro: o conjunto de recursos; 9º Ponto: página 14, item 2.25, sugestão de alteração do termo: forneça uma contabilidade exaustiva... para o termo: forneça princípios contábeis exaustivos de todas...; 10º Ponto: Esta sendo utilizado no Framework os termos: Links e Hyperlinks, sugestão de utilizar o termo: conexões invés de Links e Hyperlinks; 11º Ponto: The Framework mentions the expression: Integrated Report, instead of Integrated Reporting; 2nd Point: On page No. 06, Guiding Principles, Information Connectivity, third line is written, inter-relater, instead of interrelater; 3rd Point: The following term is being used: Responsiveness of stakeholders, on pages 05 (Summary), 06 (guiding principles), 18 (guiding principles), 19 (Item 3C), 20 (item 3.17). GT-2 believes that this text is somewhat confusing and does not manage to clearly convey the objective. The proposal of GT-2 is: "Communication with stakeholders"; 4th Point: The following term is being used: Suppliers of Financial Capital, on pages 08 (item 1.7), 09 (item 1.20), 16 (item 2.37) and (item 2.38), the suggestion is to use the term: Providers of Financial Capital instead of Suppliers of financial capital, which may be confused with the term "suppliers in accounting"; 5th Point: page 08, item 1.10, the term: with the necessary adaptations, I suggest to change this term, because the idea of the Framework is the validation of a "conceptual framework" applied to all companies regardless of their size or legal form of organization, suggestion... applied in a "simplified" or "reduced" form ... by the public sector and nonprofit organizations; 6th Point: page 06, Guiding Principles, Consistency and Comparability and Page 23, item 3.51, suggestion of changing the term ... comparison with other organizations ... to use the following term: ... comparison with other organizations in the same industry, line of business or with common interests, because the idea of the Framework is not to create a "plastered" version for all companies; 7th Point: page 15, item 2.30, suggestion to change the expression ... conversion of inputs into deliverables through business activities ... by the expression ... conversion of inputs into deliverables (products, services, byproducts and waste) through business activity ... this suggestion is in line with the expression used on page 11, item 2.9; 8th Point: page 12, item 2.17 suggestion to change the term: Financial capital: the pool of funds ... by the term: Financial capital: the set of resources; 9th Point: page 14, item 25.2, suggestion to change the term: provide exhaustive accounting ... by the term: provide exhaustive accounting principles of all ...; 10th Point: The following terms are being used in the Framework: Links and Hyperlinks, suggestion to use the term connections instead of Links and Hyperlinks;
General comments					11º Ponto: página 09, item 1.17, linha 9, sugestão de alteração do termo:...inclusive as compensações, entre eles...para o Termo: ...inclusive as transformações, entre eles; 12º Ponto: Incluir no Glossário a definição de Limites Planetários; 11th Point: page 09, item 1.17 line 9, suggestion to change the term: ... including the compensations, among them ... by the term: ... including the transformations, among them; 12th Point: Include in the Glossary the definition of Planetary Limits;



Framework section/Content	Page	From the line	Page	To the line	Comments
General comments					<p>13º Ponto. No Framework inteiro esta sendo utilizado os seguintes termos: Materialidade, Assuntos Materiais, Imaterial, Informações Materiais, Influência Materiais, segundo o Prof. Leilio Lauretti, o mais adequado seria o uso de Relevância. Inveís de "Material", vide posicionamento do Prof. Leilio abaixo:</p> <p>com relação aos trabalhos de construção do Reporte Integrado, a exemplo do que já aconteceu com a disseminação do GRI no terreno da sustentabilidade, está ocorrendo uma ofensa grave ao idioma pátrio com a importação de uma palavra do léxico inglês, muito usual entre as empresas internacionais de auditoria, que é materialidade. Se você percorrer as páginas da excelente apresentação institucional que acompanhou sua mensagem, vai encontrar, com frequência até exagerada, as expressões "material" e "materialidade" como sinônimos de "relevante" e de "relevância", respectivamente. Acontece que "material" e "materiality" em inglês têm, realmente, o sentido de relevante e relevância. Em português, porém, não há registro em dicionário de que "materialidade" possa ser utilizada para "relevância". Veja abaixo o verbete extraído do Dicionário Houaiss da Língua Portuguesa:</p> <p>Materialidade: "Tendência para valorizar apenas aquilo que é de ordem material; incapacidade para compreender coisas cuja compreensão exige sensibilidade, finura de espírito; baixa moral, brutalidade, estupidez; conjunto de elementos e circunstâncias que evidenciam a criminalidade de um ato"</p> <p>Ou seja, nenhuma conexão ou conotação com "relevante" ou "relevante", palavras ricas, bonitas e muito expressivas em nossa língua. O "relevante" comparece até nas artes, quando se fala em "alto relevo"! Veja, no mesmo dicionário Houaiss, a definição de "relevância":</p> <p>Relevância: "Que tem relevo, que tem importância, que se salienta, que sobressai, de grande valor ou interesse; o essencial; o indispensável."</p> <p>Exatamente o sentido que procuramos, de algo que, em nossos relatórios anuais, seja de grande valor ou interesse e até mesmo indispensável. Como substituir isso por uma expressão tão grosseira quanto "baixa moral, brutalidade, estupidez", ou tomar emprestado do Ministério Público uma expressão do Código de Processo Penal que atribui aos promotores públicos a função de comprovar a "materialidade" do crime????</p> <p>Em um de seus textos mais inspirados, o escritor Osman Lins registrou que "Duas vezes foi criado o mundo: quando passou do nada para o existente, e quando, alçado a um plano mais sutil, fez-se palavra". Ou seja, para que as coisas realmente existam elas precisam ter um nome. Quanto respeito pela palavra!</p> <p>Gostaria que você transmitisse a todos os participantes do grande esforço de construir uma comunicação mais nobre, objetiva e – por que não? – mais elegante, meu apelo para que rejeitem essa tendência a nacionalizar, pela força do uso, uma expressão tão inadequada como "materialidade", para a qual não existe "similar nacional" mas uma expressão muitíssimo mais rica, que é "relevância".</p> <p>13th Point. In the entire Framework the following terms are used: Materiality, Material Matters, Immaterial, Material Information, Material Influence, according to Prof. Leilio Lauretti, the most adequate would be to use Relevância, instead of "Material", see position of Prof. Leilio below:</p> <p>with respect to construction of the Integrated Reporting, alike what already happened with GRI dissemination in the field of sustainability, a serious offense to mother tongue is taking place with the import of a word of the English language, quite usual among the international audit firms, which is materiality. If you go through the pages of the excellent institutional presentation that accompanied their message, you will find often and even exaggeratedly, the terms "material" and "materiality" as synonymous with "relevant" and of "relevância", respectively. It turns out that "material" and "materiality" in English actually have the meaning of relevant and relevance. In Portuguese, however, there is no record in dictionary that "materiality" can be used for "relevância". See the entry below extracted from Houaiss Dictionary of the Portuguese Language:</p> <p>Materiality: "Tendency to value only that which is of a material nature; inability to understand things whose comprehension requires sensitivity, subtlety of mind, moral baseness, brutality, stupidity, set of elements and circumstances that show an act of crime"</p> <p>In other words, no connection or connotation with "in relief" or "relevant", words that are rich, beautiful and very expressive in our language. "In relief" appears even in arts, such as when it is said "in high relief"! See, in the same Houaiss dictionary, the definition of "relevância":</p> <p>Relevância: "What is relevant, and has importance, that stands out, of great value or interest, the essential, the indispensable."</p> <p>Exactly the meaning we look for, of something that, in our annual reports, is of great value or interest and even indispensable. How to replace this with such a gross expression, such as "moral baseness, brutality, stupidity," or borrow an expression from the Federal Prosecution Office in the Code of Criminal Procedure that attributes to public prosecutors the duty to prove the "materiality" of the crime?!</p> <p>In one of his most inspired texts, the writer Osman Lins stated that "Two times was the world created: from nothing to the existing one, and when, in a more subtle level, the words were created." In other words, for things to actually exist they must have a name. A lot of respect for the word!</p> <p>I'd like you to convey to all participants of the great effort to build a nobler and more objective communication and - why not? - more elegant, my appeal for us to reject this tendency to nationalize, by virtue of use, such an inadequate expression as "materiality", for which there is no "national counterpart" but an expression that is much richer, that is "relevância".</p>
General comments					<p>IR communicates the way in which an organization creates value (1.2). The extent to which value has been and can continue to be created is assessed by intended report users (1.6) based on information specified and prepared in accordance with the IR Framework (1.4). Intended report users use IR to support their financial capital allocation assessments (1.6). An organization's mechanism for creating value is its business model. Therefore IR should include a description of the business model and its resilience (4.21) and an overview of what the organization does (4.6). The execution of the business model for the creation of value is affected by a range of factors that should therefore be described for IR purposes, including: Governance (4.10) Strategy (3.2 and 4.18) External context (4.6) Stakeholder engagement (3.13) The risks and opportunities that affect the organizations ability to create value now or in future (4.13) Value is created by taking inputs from the capitals and processing them through its business activities in order to create outputs and outcomes. Therefore IR should include: • a description of the inputs from the capitals on which an organization depends in order to carry out its business activities; • the business activities it carries out; and • the intended outputs and outcomes from the business model. Production of outputs and outcomes is affected by and results in changes (eg: transformation, depletion and enhancement) to the capitals for the organization and for the environment and society. Therefore IR should include the organization's analysis of the nature of those changes and their understanding, based on stakeholder engagement, of the associated outcomes for the organization, for society and the environment over the short, medium and long term. Outcomes of the business model for the organization, society and the environment should not be reported or assessed by examining changes to each form of capital individually or by reference, for example, to strategy or governance alone. The connections, combinations and inter-relatedness between all of the components required to create value should be reported and assessed (3.7). Value creation is reflected partly in an organization's performance. Therefore, IR should include information about the extent to which an organization has achieved its strategic objectives and desired outcomes (4.27). The extent to which value has been created and for what and whom manifests itself in changes to the capitals that take place over time. Therefore, IR should include information about the organization's future outlook (4.33). The application of the integrated reporting process should result in: • Concise information (3.22); that is • Material to assessing the organization's ability to create value (3.22) and that is: • Reliable and complete (3.30) and • Consistent and comparable (3.46)</p>



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Framework section/Content	From page	From the line	To the page	To the line	Comments
General comments					<p>1. O business case para "Integrated Reporting"</p> <p>1. The business case for "Integrated Reporting"</p> <p>1.1. Quais são as principais imperfeições no atual regime de relato das empresas?</p> <p>1.1. Which are the major flaws in the current system of companies' report?</p> <ul style="list-style-type: none"> <input type="checkbox"/> O que é mandatório: o relato econômico-financeiro apresenta uma análise parcial e de curto prazo do desempenho das companhias <input type="checkbox"/> O que é complementar e voluntário: o relato socioambiental tornou-se um campo de disputa de reputação e de imagem, sem imputações esporádicas e ainda marginais. <input type="checkbox"/> O atual relato corporativo não permite a antevista dos riscos e oportunidades do negócio. As companhias não se expõem claramente durante a operação, acomodam-se em um falso dilema de transparência entre o que é informação estratégica para a concorrência e divulgam apenas a parte conveniente de suas matrizes. <input type="checkbox"/> Falta de investimento das companhias em gestão dos indicadores socioambientais, que não estão tão sistematizados quanto os e consequentemente na análise. É necessário evoluir as técnicas de mensuração (por exemplo: carbono) para que seja possível incluir <p><input type="checkbox"/> What is mandatory: the economic and financial report presents a partial analysis and short-term companies' performance.</p> <p><input type="checkbox"/> What is complementary and voluntary: the social and environmental report has become a field of reputation and image dispute, with examples of contributions and still marginal.</p> <p><input type="checkbox"/> The current corporate report does not allow the preview of the risks and opportunities of the business. The companies do not expose fundraising. During operation, settle into a false dilemma of transparency between what is strategic information for competition and the convenient part of their headquarters.</p> <p><input type="checkbox"/> Lack of investment by companies in the management of social and environmental indicators, which are not as systematic as the financial consequently the analysis. It is necessary to develop measurement techniques (eg: carbon) so that it may become possible even to include</p> <p>1.2. Quais as práticas de comunicação deveriam ser levadas em consideração a fim de se criar um Relatório Integrado?</p> <p>1.2. Which communication practices should be taken into consideration in order to create an Integrated Reporting?</p> <ul style="list-style-type: none"> <input type="checkbox"/> Um aspecto positivo é que o mercado brasileiro é altamente permeável a novas práticas ou regulações (haja vista a disseminação) <input type="checkbox"/> Descompasso de prazo de divulgação entre a informação financeira e não financeira. Enquanto a financeira segue regulação rígida sendo publicada desde fevereiro até setembro. Não há também práticas consistentes de divulgação trimestral, remetendo à necessidade de informações. <p><input type="checkbox"/> A positive aspect is that the Brazilian market is highly permeable to new practices or regulations (given the spread of the GRI in the market)</p>
General comments					<p>2. O futuro da comunicação</p> <p>2. Communications' future</p> <p>2.1. Em sua opinião, todos os aspectos financeiros, econômicos, sociais, ambientais, de governança e de inovação deveriam estar refletidos no relatório?</p> <p>2.1. In your opinion should it be present up to 2020 disclosure results all financial, economic, social, environmental, governance and innovation aspects in the report?</p> <ul style="list-style-type: none"> <input type="checkbox"/> Sim. Estamos diante de oito ciclos anuais completos de relato, o que permite um grande desenvolvimento. <input type="checkbox"/> Há, no Brasil, condições estruturais para desenvolvimento: sólida prática e regulação da divulgação econômico-financeira; interesses e mecanismos de estímulo (ISE BM&F BOVESPA); mecanismos de pressão, como rankings e prêmios – Abrasca, estudo Rumo à Credibilidade; e auditoria, que precisarão se adaptar a práticas inovadoras. <input type="checkbox"/> A maior dificuldade talvez esteja na criação dos parâmetros de verificação externa e auditoria, que precisarão se adaptar a práticas inovadoras. <p><input type="checkbox"/> Yes. We are facing eight cycles of full annual report, which allows us a great development.</p> <p><input type="checkbox"/> There are the structural conditions for development in Brazil: solid practice and regulation of economic and financial disclosure; interest mechanisms (ISE BM&F BOVESPA); pressure mechanisms such as rankings and awards - Abrasca, Road to Credibility study (FBD) and audit, which will need to adapt to innovative practices.</p> <p>2.2. Quais os desafios e obstáculos você prevê para a adoção da gestão integrada de informações? Integrated Reporting.</p> <p>2.2. What challenges and obstacles do you foresee for the adoption of integrated information? Integrated Reporting.</p> <ul style="list-style-type: none"> <input type="checkbox"/> Falta de interesse de analistas e investidores. Será necessário um trabalho intenso de construção de um novo modelo mental de análise <input type="checkbox"/> Esse esforço exigirá também uma reeducação dos profissionais de sustentabilidade, que muitas vezes também idealizam uma realidade distante <input type="checkbox"/> Desenvolvimento de métricas que integrem impactos econômicos, sociais e ambientais. Há poucos recursos técnicos e acadêmicos para isso. <input type="checkbox"/> Limitações de guidance: quando trabalhamos com riscos e oportunidades, deveríamos também associá-los a cenários, o que vai contra a prática atual de apenas apresentar resultados nas empresas de capital aberto. O trabalho com cenários pode mudar o modelo mental, hoje focado no curto prazo, para um modelo mais abrangente. <p><input type="checkbox"/> Lack of interest from analysts and investors. It will be necessary an extensive work of building a new mental model analysis of corporate performance</p> <p><input type="checkbox"/> This effort will also require reeducation of sustainability professionals, who often idealize a far reality from the corporate environment</p> <p><input type="checkbox"/> Metrics development that integrate economic, social and environmental impacts. There are few technical and academic resources available for this.</p> <p><input type="checkbox"/> Guidance limitations: when working with risks and opportunities, we also link them to scenarios, which goes against the existing practice</p>



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General comments					<p>3. Usuários de um Integrated Reporting Framework</p> <p>3. Integrated Reporting Framework users</p> <p>3.1. O que empresas de capital aberto precisam como orientação para de fato implementarem relatórios integrados em seus negócios?</p> <p>3.1. What do public companies need as guidance to implement integrated reporting in their business?</p> <p><input type="checkbox"/> Estímulo e regulação, por exemplo a inserção nas regras de boa governança da BM&FBOVESPA – isso com certeza deveria fazer</p> <p><input type="checkbox"/> Incentives and regulation, for example the inclusion in the rules of good governance of BM&F BOVESPA - it certainly should be part</p> <p>3.2. Que outras entidades se beneficiariam com a implementação de Relatórios Integrados e quais seriam suas necessidades? Conte e/ou organizações não governamentais.</p> <p>3.2. Which entities would benefit from the implementation of Integrated Reporting and what would be their needs? Whereas small and governmental organizations.</p> <p><input type="checkbox"/> Os princípios e mesmo o modelo de relatório integrado podem alcançar todas as organizações de todos os portes. As empresas de capital aberto e necessitam demonstrar que estratégia e modelo de negócios estão adequados para enfrentar os riscos e</p> <p><input type="checkbox"/> Even Integrated Reporting model their principles can achieve all organizations whatever the size. Private companies have the same strategy and business model are adequate to address the risks and opportunities of business.</p> <p><input type="checkbox"/> Empresas médias idem, beneficiadas pelo fato da concisão fazer parte dos princípios do relato integrado. A implantação nas empresas corporações, pois as estruturas de controles e de decisão a serem envolvidas são menores e mais flexíveis.</p> <p><input type="checkbox"/> Medium-size Companies as well, they are benefited because of the brevity part of the principles of integrated reporting. The deployment large corporations because their structures and decision's control to be involved are smaller and more flexible.</p> <p><input type="checkbox"/> O mesmo vale para organizações não governamentais, que também demandam fundos para manterem-se ativas e bem sucedidas</p> <p><input type="checkbox"/> The same goes for non-governmental organizations, which also require funds to remain themselves active and successful in achieving</p> <p><input type="checkbox"/> O setor público parece, no Brasil, de implantação mais distante, pois não há cultura e prática de prestação de contas pública.</p>
General comments					<p>4. Papel do governo</p> <p>4. Government's role</p> <p>4.1. Na sua opinião, qual é a melhor maneira de garantir a aprovação da adoção de Relatórios Integrados?</p> <p>4.1. In your opinion, which is the best way to ensure the adoption approval of Integrated Reporting?</p> <p><input type="checkbox"/> Regulação quanto à periodicidade da divulgação e estímulo à adoção a partir de limitações no acesso ao capital (exemplo: exigência)</p> <p><input type="checkbox"/> Regulation as to the timing of disclosure and adoption encouraging from limited access to capital (eg: BNDEx's requirement and other)</p> <p>4.2. O governo exerce algum papel na aceleração da adoção de Relatórios Integrados ou isso deve ser conduzido por iniciativas voluntárias nesse caso?</p> <p>4.2. Does the government plays a role in accelerating the adoption of Integrated Reporting, or it must be driven by voluntary initiatives in this case.</p> <p><input type="checkbox"/> Por sermos uma economia emergente, a grande necessidade das companhias (abertas ou fechadas) é por acesso ao capital. A adoção de relatório integrado tem condições de alavancar intensamente sua prática no mercado brasileiro.</p> <p><input type="checkbox"/> As an emerging economy, the companies great needs (publics or private) is access to capital. Linking access to capital to the evolution of integrated reporting intensively in the Brazilian market.</p> <p><input type="checkbox"/> Compromissos voluntários contribuem como exemplos, mas não transformam o mercado como um todo.</p> <p><input type="checkbox"/> Voluntary commitments contribute as examples, but not transform the market as a whole.</p> <p><input type="checkbox"/> Organizações que devem ser mobilizadas: CVM, Bolsa de Valores, Febraban, Apimec, Anbid/Anbima</p> <p><input type="checkbox"/> These are the organizations that must be mobilized: CVM, Bolsa de Valores, Febraban, Apimec, Anbid/Anbima.</p>
General comments					<p>5. Audiência para Relatórios Integrados</p> <p>5. Audience for Integrated Reporting</p> <p>5.1. Quais atores você consideraria para uma audiência preliminar dos Relatórios Integrados?</p> <p>5.1. Which actors would you consider for a preliminary hearing of Integrated Reporting?</p> <p><input type="checkbox"/> Todos aqueles que têm capacidade de financiar uma companhia – investidores de todos os portes, administradores de fundos, bancos</p> <p><input type="checkbox"/> All those who have ability to finance a company - investors of all sizes, fund managers, banks, governments, etc.</p> <p>5.2. O IIRC identificou os investidores como um público inicial para essa audiência. Quais as principais características de um Relatório Integrado?</p> <p>5.2. The IIRC identified investors as an initial audience for this audience. Which are the main characteristics of an Integrated Reporting?</p> <p><input type="checkbox"/> Identificação clara e transparente de riscos e oportunidades – e como a estratégia e o modelo de negócios lidam com esse cenário</p> <p><input type="checkbox"/> Clear and transparent identification of risks and opportunities - and how the strategy and business model deal with this scenario.</p> <p><input type="checkbox"/> Apresentação de cenários possíveis.</p> <p><input type="checkbox"/> Presentation of possible scenarios</p> <p><input type="checkbox"/> Indicadores que considerem o cruzamento de indicadores financeiros e não-financeiros (exemplos: carbono, energia, satisfação do cliente)</p> <p><input type="checkbox"/> Indicators that consider the intersection of financial and non-financial indicators (examples: carbon, energy, customer satisfaction).</p>



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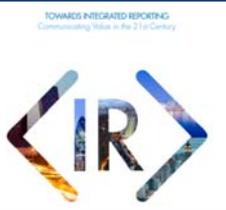
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General comments					<p>Inputs Sustentabilidade: Sustainable Inputs:</p> <p>6. Você acha que o conceito de multiple capitals é útil na explicação de como uma empresa cria ou não valor sustentável? Por que/6. Do you think that multiple capitals concept is useful in explaining how a company creates or not sustainable value? Why/why not?</p> <p>Sim.Certamente a conceituação por "capitais" dos diferentes recursos (físicos, humanos, intelectuais), dos relacionamentos e redes relação de interdependência mais tangíveis aos diferentes stakeholders que terão acesso ao relatório. E já para a organização, essa segmentação também ajuda o processo de relato, desde o desenvolvimento e da coleta dos indicadores os fatores e elementos que estão sendo relatados. Utilizamos os 5 capitais (natural, humano, social, econômico e físico) em nossa avaliação com comunidades fornecedoras, o que ter sustentabilidade. IIRC poderia seguir melhor o Framework do Sustainable Livelihoods (Scoones), pois não está claro porque há a segregação entre o Também o capital "manufatura", de acordo com a descrição no material, pode haver uma interpretação de que manufatura refere-se dos recursos não naturais de suporte às atividades humanas, recomendamos que seja nomeado como capital físico. No entanto, mesmo com a divisão por capitais, corremos o risco de manter a segmentação por temas (financeiro, econômico e social este ponto no piloto e como se dará a integração dos Capitais com os Content Elements. Yes.Surely the concept of "capital" of the different resources (physical, human, intellectual), relationships and networks and other relationship more tangible to the different stakeholders who will have access to the report. In the other hand for organization, this segmentation also helps the reporting process, from the development and collection of indicators between factors and elements that are being reported. We use the five capitals (natural, human, social, economic and physical) in our evaluation with supplier communities, which has been IIRC could better follow the Sustainable Livelihoods Framework (Scoones), for it is not clear why there is a separation between human "manufacturing" capital, according to the description in the material, there may be an interpretation that manufacture refers only to man nonnatural resources support to human activities, we recommend appointed as physical capital. However, even in a division of capital context, we get the risk of keeping targeting issues (financial, economic and social) without action</p>
General comments					<p>7. Do the Guiding Principles identified in the Discussion Paper provide a sound foundation for preparing an Integrated Report – are there other Guiding Principles that should be added? Why/why not? 7. Do the Guiding Principles identified in the Discussion Paper provide a sound foundation for preparing an Integrated Report – are there other Guiding Principles that should be added? Why/why not?</p> <p>Sim.Os Guiding Principles para os relatórios integrados estão bem estruturados e a argumentação para cada Guiding Principle está atende às necessidades das organizações e certamente contribui para o processo de relato. Quanto às sugestões, acreditamos que o Guiding Principle "Connectivity of information" também pode contemplar em sua definição e informações devem estar devidamente conectadas e compreensíveis de sua relação de interdependência com as demais informações também devem ser comparáveis, especialmente pelo valor agregado e até mesmo os impactos positivos e/ou negativos que ela imprime. Ainda nesse capítulo, sentimos falta de uma orientação com relação à periodicidade dos relatórios integrados, especialmente se levados distintos para prestação de contas. Um padrão de relatórios integrados deveria oferecer essa flexibilidade e apresentar soluções, com OK quanto aos Guiding, só recomendaríamos que o IIRC garanta que todos os princípios do GRI sejam contemplados nos Guiding Principles Content Elements (page 15 of the Discussion Paper)</p> <p>Yes.The Guiding Principles for Integrated Reporting are well structured and each argumentation for the Guiding Principle are clear, and addresses the organizations' needs and certainly contributes to the reporting process. Despite the suggestions we believe that the Guiding Principle "Connectivity of information" may include in its definition the "comparability must be properly connected and understood in their interdependence relationship with other informations/indicators, but we can supply the aggregated value and even the positive and/or negative impacts that it prints in the context reported. In this chapter yet, we miss an orientation with respect to the frequency of integrated reporting, especially if we consider that company standard integrated reporting should provide flexibility and solutions, considering different scenarios. OK regarding Guiding, we only would recommend that the IIRC ensure that all GRI principles be included in the Guiding Principles Content Elements (page 15 of the Discussion Paper)</p>



International Integrated Reporting Council (IIRC) - Comment process for
 Prototype of The International <IR> Framework
 Brazilian Commission for <IR> Communication

GT 1 - Exposure Draft | Coordinated by Ernst & Young Brazil (Meire Ferreira) | April-July, 2013

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General comments					<p>8. Do the Content Elements identified in the Discussion Paper provide a sound foundation for preparing an Integrated Report– are there other Content Elements that should be added? Why/why not?</p> <p>8. Do the Content Elements identified in the Discussion Paper provide a sound foundation for preparing an Integrated Report– are there other Content Elements that should be added? Why/why not?</p> <p>Sim. A maneira como os Content Elements estão descritos e organizados oferece uma orientação esclarecedora e objetiva de como e qual objetivo de se relatar as informações em questão.</p> <p>Ainda nesse sentido, esses elementos atendem aos diferentes Stakeholders que têm acesso ao relatório, especialmente o público em geral. Esse formato também apresenta um caminho possível de deixar o relatório mais conciso e factível de uma leitura fluida e linear.</p> <p>Os Content Elements estão bem alinhados aos Elementos Estruturantes do GRI (Visão e estratégia, Perfil Organizacional, Estrutura Organizacional e Sistemas de Gestão) com a inclusão positiva do "Future Outlook" que é uma das orientações que de fato provocarão mudanças.</p> <p>Yes. The way the Content Elements are described and organized offers insightful and objective guidance on how it should be the integrated reporting the information in order.</p> <p>In this sense, these elements meet the different stakeholders who have access to the report, especially the investing public, elected shareholders and other interested parties. This format also provides a possible way to get the report more concise and doable in a fluid and linear reading.</p> <p>The Content Elements are well aligned to the GRI Structuring Elements (Vision and Strategy, Organizational Profile, Structure and Governance Systems) with the positive inclusion of "Future Outlook" which is one of the guidelines in fact that will cause a more straightforward and linear reading.</p>
General comments					<p>Q3. Are the input and output capitals (such as financial and manufactured) of this business model helpful in thinking through the factor organization? Why or why not?</p> <p>IDEM AO Q6: IIRC poderia seguir melhor o Framework do Sustainable Livelihoods (Scoones), pois não está claro porque há a segregação entre o capital "manufatura", de acordo com a descrição no material, pode haver uma interpretação de que manufatura refere-se apenas aos recursos não naturais de suporte às atividades humanas, recomendamos que seja nomeado como capital físico.</p> <p>No entanto, mesmo com a divisão por capitais, corremos o risco de manter a segmentação por temas (financeiro, econômico e social) neste ponto no piloto e como se dará a integração dos Capitais com os Content Elements.</p> <p>Same to Q6: IIRC could better follow the Sustainable Livelihoods Framework (Scoones), for it is not clear why there is a separation between human "manufacturing" capital, according to the description in the material, there may be an interpretation that manufacture refers only to mannonatural resources support to human activities, we recommend appointed as physical capital.</p> <p>However, even in a division of capital context, we get the risk of keeping targeting issues (financial, economic and social) without actually evaluate this point in the pilot and how it will involve Capitals to Content Elements integration.</p>
General comments					<p>Q4. If you were to apply the Guiding Principles and Content Elements (set out on pages 12 to 15 of the Discussion Paper) in the context of your reporting relative to what you are currently doing?</p> <p>De certa forma, já seguimos muito do que o IIRC propõe em nosso relatório, talvez precisaremos melhorar nossa abordagem de futuro de informação.</p> <p>Somehow, we've already been following a bunch proposed by IIRC in our report, we may need to improve our approach to the future, connectivity.</p>