

IIRC Pilot Programme Investor Network

The International Integrated Reporting Council (IIRC) is a global coalition of regulators, investors, companies, standard setters, the accounting profession and NGOs. Together, this coalition shares the view that communication about value creation should be the next step in the evolution of corporate reporting.

<IR> is a process founded on integrated thinking that results in a periodic integrated report by an organization about value creation over time and related communications regarding aspects of value creation. An integrated report is 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 in the short, medium and long term.

The IIRC Pilot Programme

The IIRC Pilot Programme offers world-renowned and innovative businesses and investors the opportunity to demonstrate global leadership as corporate reporting continues to evolve. It underpins the market-led development of the Framework in 2013 and beyond.

The Pilot Programme is the IIRC's innovation hub and has two parts, the Business Network and the Investor Network. Over 100 businesses participate in the Business Network, with representation from 25 countries and a large number of sectors, participants range from some of the world's largest listed companies to public sector organizations. The Investor Network is comprised of over 35 participants from the investment community in 12 countries. The IIRC Secretariat has Relationships Managers supporting the Pilot Programme in Amsterdam, Düsseldorf, Johannesburg, Kiev, London, Madrid, Melbourne, New York, Paris, Seoul, and Tokyo.

Objectives of the Pilot Programme Investor Network

Providers of financial capital are the primary audience of <IR> in order to help inform their capital allocation decisions. Therefore, the Investor Network is a crucial platform for investors to help shape the Framework and provide insight into their needs from an integrated report to both the Pilot Programme Business Network and the IIRC. The purpose of the Investor Network is to:

- be advocates for <IR> with the business and investment communities and others
- share with the IIRC Secretariat and Pilot Programme Business Network views on the shortfalls in current corporate reporting, information and format needs
- provide constructive challenge, feedback and guidance in a timely manner on the innovations and proposals emerging from the Pilot Programme Business Network participants and the IIRC as the Framework is developed and tested
- advise the IIRC on how best to engage with the investor community.

Note: Individual investors will not be asked to comment on their particular investment strategy in relation to individual Pilot Programme Business Network participants or sectors.

Investor Network Agenda

Each year the IIRC Pilot Programme holds an international Conference involving both the Business and Investor Networks:

- September 2014, the Conference will be held after participants have had time to test and implement version the Framework released in December 2013
- previously there have been three successful conferences, most recently in 2013 when participants debated and applied the Consultation Draft of the Framework, explored investors' needs and shared their own learning with peers.

The IIRC continuously captures feedback from the Pilot Programme to inform the development of the Framework. Each September, key experiences of Pilot Programme participants are showcased in the Pilot Programme Yearbook, driving the international business momentum for <IR>.

The Chairman of the Investor Network is appointed by the IIRC Secretariat for a term that will, in principle, run to the close of the Pilot Programme. Currently the Chairman is Colin Melvin, CEO Hermes EOS.

Investor Network participants will be invited to:

- join at least quarterly conference calls and meetings of approximately 1 hour length
- present or speak to peers and others at the IIRC and corporate reporting events
- present and/or attend Pilot Programme events, such as quarterly Pilot Programme regional network meetings, the Pilot Programme annual conference and webinars
- reach out to businesses to raise the profile of <IR> and to identify examples of good reporting
- demonstrate support for <IR> to the IIRC and publically at appropriate opportunities
- provide regular guidance/feedback to the IIRC Secretariat on any other relevant issues.

Why apply?

Shape the future of corporate reporting and demonstrate investor demand for <IR>. Members of the Investor Network can expect to:

- provide investor perspectives on shortfalls of corporate reporting and investor's needs
- share with participants of the Business Network views on their journey towards <IR>
- provide advice to the IIRC on broader investor engagement strategies.

Create momentum towards <IR> and be recognised as an advocate for it by:

- being part of the Pilot Programme in this market led initiative
- engaging with participants of the Business Network to support their journey towards <IR>

INTEGRATED REPORTING <IR>

- taking opportunities to speak and present on the topic of <IR> to the business and investment communities
- being listed on the IIRC Pilot Programme webpage and in related communications
- being included and referenced in publications on Pilot Programme outcomes.

The Pilot Programme Business Network is a platform for businesses to apply the principles of <IR>, as champions of reporting innovation. The Business Network is providing the IIRC with structured feedback on key building blocks in the Framework to inform its development and practical application, and building business momentum for the implementation of <IR>. For more information on the Business Network see <http://www.theiirc.org/companies-and-investors/pilot-programme-business-network/>

How to get involved

The Pilot Programme Investor Network comprises individuals representing buy-side and sell-side investor organizations, researchers, those responsible for stewardship and service providers. The representatives should have appropriate knowledge of corporate reporting.

How you can apply

Please email kate.jefferies@theiirc.org for more information or to express your interest in participating in the IIRC Pilot Programme Investor Network.

Appendix 1 – Frequently Asked Questions

Can an investor organization join the Pilot Programme Business Network?

Yes, investor organizations are businesses with requirements to produce corporate reports too. The benefit of this is your business will have a greater understanding of investors needs so is well placed to put into practice innovation in corporate reporting.

For more information see the IIRC Pilot Programme Business Network backgrounder on the IIRC's website.

Why should businesses start <IR> now?

<IR> is a tool for businesses to use to communicate succinctly to providers of financial capital how they create value over time. It brings together financial and non-financial information on areas that are material to a business's strategy and performance, aiding financial stability and sustainable development. Participating in the Pilot Programme puts your business at the forefront of reporting innovation and contributes to the development of <IR>.

What external publications can my business expect to be included in?

IIRC Pilot Programme participants contribute to the:

- Annual Pilot Programme Yearbook – 2012 Yearbook at http://www.theiirc.org/wp-content/uploads/Yearbook_2012/sources/indexPop.htm
- Emerging Integrated Reporting Database – continuously updated at <http://examples.theiirc.org/home>
- research on building the business case for Integrated Reporting – behavioural changes of businesses on their journey towards Integrated Reporting at <http://www.theiirc.org/wp-content/uploads/Business-Case/sources/indexPop.htm>
- other conference and events presentations, media releases etc.

Appendix 2 – IIRC Pilot Programme Investor Network (as at March 2014)

Investor	Country
AMP Capital Investors	Australia
AQAL Investing	Germany
APG	Netherlands
Arisaig Partners	Singapore
Australian Council of Superannuation Investors (ACSI) (on behalf of StatewideSuper + AustralianSuper)	Australia
Calvert	United States
CFA Institute	United States
Colonial First State Global Asset Management (including First State Investments)	Australia
DWS Investment GmbH (DB Advisors of Deutsche Bank Group)	Germany
European Society of Financial Analysts Societies (EFFAS)	European
Element	South Africa
EIRIS	United Kingdom
Ethos Foundation	Switzerland
Financial Services Council	Australia
Goldman Sachs	United Kingdom
Government Employees Pension Fund of South Africa (GEPF SA)	South Africa
Groupama Asset Management	France
Hermes EOS	United Kingdom
ING Investment Management	Netherlands
Inter-American Development Bank	United States
Kepler Cheuvreux (previously CA Cheuvreux)	France
London Pensions Fund Authority (LPFA)	United Kingdom
Natixis Asset Management	France
Newton Investment Management Ltd	United Kingdom
Nissay Asset Management	Japan
Norges Bank Investment Management (NBIM)	Norway
Pax World	United States
PGGM	Netherlands
Railways Pension Trustee Company Limited	United Kingdom
Rathbone Brothers Plc	United Kingdom
Regnan	Australia
Rockefeller Financial	United States
Skandinaviska Enskilda Banken (SEB)	Sweden
WHEB Asset Management	United Kingdom
Value Create Inc	Japan
Victorian Funds Management Corporation	Australia

Appendix 3 – IIRC Pilot Programme Business Network (as at March 2014)

Business	Country	Sector
AB Volvo – Volvo Group	Sweden	Automobiles
Achmea	Netherlands	Insurance
AEGON NV	Netherlands	Financial services
AES Brazil	Brazil	Utilities
AkzoNobel N.V.	Netherlands	Chemicals
ARM Holdings plc	United Kingdom	Technology hardware & equipment
AngloGold Ashanti	South Africa	Mining
Association of Chartered Certified Accountants	United Kingdom	Accounting
Atlantia S.p.A.	Italy	Industrial transportation
BAM Group	Netherlands	Construction & materials
BASF SE	Germany	Chemicals
BBVA	Spain	Banks
BNDES	Brazil	Banks
BRF S.A.	Brazil	Food producers
BWise B.V.	Netherlands	Support services
CCR S.A.	Brazil	Transportation services
Chartered Institute of Management Accountants	United Kingdom	Accounting
Cliffs Natural Resources	United States	Industrial mining & metals
CLP Holdings Limited	China	Electricity
CNDCEC	Italy	Accounting
Coega Development Corporation	South Africa	Government
CPFL Energia	Brazil	Energy
Danone	France	Food producers
DBS Bank	Singapore	Banks
Deloitte LLP	United Kingdom	Accounting
Deloitte Netherlands	Netherlands	Accounting
Deutsche Bank	Germany	Banks
Deutsche Börse Group	Germany	Financial provider
Diesel & Motor Engineering PLC	Sri Lanka	Industrial engineering
Edelman	United States	Media
ENAGAS S.A.	Spain	Gas, water & multi-utilities
EnBW Energie Baden-Württemberg AG	Germany	Electricity
Enel S.p.A.	Italy	Electricity
eni S.p.A.	Italy	Oil & gas producers
Ernst & Young Nederland LLP	Netherlands	Accounting
Ernst & Young ShinNihon LLC	Japan	Accounting
Eskom Holdings SOC Limited	South Africa	Electricity

Business	Country	Sector
Fibria Cellulose S.A	Brazil	Forestry and pulp
Flughafen München GmbH	Germany	Transportation services
FMO	Netherlands	Banks
Freund Corporation	Japan	Machinery
Generali Group	Italy	Insurance
Gold Fields	South Africa	Mining
Grant Thornton UK LLP	United Kingdom	Accounting
Grupo Segurador Banco Do Brasil E Mapfre	Brazil	Insurance
HSBC Holdings plc	United Kingdom	Banks
Hyundai Engineering & Construction	South Korea	Construction & materials
Indra	Spain	Software & computer services
Industria de Diseño Textil S.A. (Inditex)	Spain	General retailers
Interserve Plc	United Kingdom	Support services
Itau Unibanco	Brazil	Banks
Jones Lang LaSalle	United States	Real estate
Kirloskar Brothers Limited	India	Manufacturing
KPMG International	Switzerland	Accounting
LeasePlan Corporation N.V.	Netherlands	Financial services
Marks and Spencer Group plc	United Kingdom	General retailers
MASISA S.A.	Chile	Forestry, wood and boards
mecu Limited	Australia	Banks
Meliá Hotels International	Spain	Hospitality
Microsoft Corporation	United States	Software & computer services
N.V. Luchthaven Schiphol	Netherlands	Transportation services
National Australia Bank Limited	Australia	Banks
Natura	Brazil	Personal goods
New Zealand Post	New Zealand	Postal services
NHS London	United Kingdom	Health care
NIAEP	Russian Federation	Nuclear Industry
Novo Nordisk	Denmark	Pharmaceuticals & biotechnology
PepsiCo	USA	Food producers
Petrobras S.A	Brazil	Oil & gas
Port Metro Vancouver	Canada	Transportation services
PricewaterhouseCoopers Advisory	Italy	Accounting
PriceWaterhouseCoopers N.V.	Netherlands	Accounting
Prudential Financial, Inc.	United States	Financial services
Randstad Holding N.V.	Netherlands	Support services
Repsol, S.A.	Spain	Oil & gas producers
Rosneft	Russian Federation	Oil & gas producers

Business	Country	Sector
Sainsbury's	United Kingdom	Food retail
SAP	Germany	Software & computer services
SASOL	South Africa	Chemicals
Showa Denki Co. Ltd.	Japan	Household goods & home construction
Singapore Accountancy Commission	Singapore	Accountancy
SK Telecom	South Korea	Telecommunications
Slater & Gordon Lawyers	Australia	Legal services
SNAM S.p.A.	Italy	Oil & gas
Solvay	Belgium	Chemicals
State Atomic Energy Corporation ROSATOM	Russian Federation	Nuclear industry
Stockland	Australia	Real estate investment & services
STRATE	South Africa	Financial services
Takeda Pharmaceutical Company Limited	Japan	Pharmaceuticals & biotechnology
Tata Steel	India	Steel producers
Teck Resources	Canada	Industrial mining & metals
Telefónica S.A.	Spain	Telecommunications
Terna S.p.A.	Italy	Electricity
The Clorox Company	United States	Chemicals
The Coca-Cola Company	United States	Beverages
The Crown Estate	United Kingdom	Real estate management
Transnet	South Africa	Transportation services
Turkiye Garanti Bankasi Anonim Sirketi	Turkey	Banks
Unilever	United Kingdom	Retail goods
Uralsib	Russian Federation	Financial Services
Vancity	Canada	Banks
Via Gutenberg	Brazil	Support services
Vivendi	France	Media
Votorantim Industrial	Brazil	Industrials