

## **Procedures Handbook**

IIRC pronouncements and  
other communications

# Procedures Handbook

**This handbook describes the scope of IIRC publications and the procedures underpinning their development.**

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# Pronouncements at a glance

IIRC pronouncements are formal or authoritative statements, positions or opinions issued in writing. The following diagram outlines minimum requirements for their development.

		Propose	Prepare	Consult	Approve	Account
		<IR> Framework Panel IIRC Team	<IR> Framework Panel IIRC Team	Consultation Draft for public exposure	<IR> Framework Panel IIRC Board IIRC Team	Basis for conclusions
Most authoritative   Least authoritative	<b>Framework</b>	• •	• •	•	• •	•
	<b>Interpretations</b>	• •	• •		• •	•
	<b>Practice Notes</b>	•	•		•	
	<b>Public Statements</b>	•	•		•	

# Defining pronouncements and other communications

The IIRC publishes a range of written communications, which vary in their scope, purpose, intended audience and degree of authority. These communications are generally classed as either **pronouncements** or **other communications**.

## Pronouncements

The IIRC defines pronouncements as formal or authoritative statements, positions or opinions that are issued in writing. IIRC pronouncements are divided into four categories.

### 1. International <IR> Framework

The International Integrated Reporting <IR> Framework ('the Framework') provides principles-based guidance for companies and other organizations wishing to prepare an integrated report. The Framework establishes Guiding Principles and Content Elements that govern the overall content of an integrated report and explain the fundamental concepts that underpin them.

### 2. Interpretations

Interpretations provide authoritative guidance on the meaning and intent of Framework requirements. These clarifications respond to observed or anticipated deviations in interpretation or application and seek to align practice with the aims of Integrated Reporting.

### 3. Practice Notes

Practice Notes provide non-prescriptive guidance on the implementation of Framework concepts. Practice Notes reinforce Framework and Interpretations content using illustrative examples, case studies, implementation approaches and relevant findings of research, surveys and interviews.

### 4. Public Statements

Public Statements communicate the IIRC's position on particular issues, developments or bodies of work. Such pronouncements include *press releases*, *open letters*, *transcripts of speeches* and *consultation responses*.

- Open letters and transcripts of speeches may be prompted by external factors such as new or proposed policies, regulations or other market developments. Alternatively, these pronouncements may be driven internally, or proactively, as in cases where the IIRC demonstrates thought leadership.
- Press releases generally announce an IIRC perspective, event, activity or publication. Although press releases share similar objectives to open letters or transcripts, they are comparatively succinct and are communicated through different media channels. Press releases may be *proactive*, in terms of advancing the IIRC's agenda, or *reactive* to external factors.
- Consultation responses present IIRC views or recommendations on externally proposed standards, frameworks, policies or regulations.

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## Other communications

The IIRC provides a range of other resources, publications and written communications to support its mission, including:

- Articles
- Blogs and other website content
- Commissioned research
- [<IR> Examples Database](#)
- Marketing and promotional material
- Newsletters
- Training materials, including the <IR> Competence Matrix

Such communications are not official pronouncements of the IIRC, on the basis that they do not establish or represent a formal IIRC position or opinion.

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## Developing pronouncements

IIRC pronouncements are subject to well-defined development and approval procedures, which reflect and support their relative authority. The **<IR> Framework Panel** leads or supports the development of pronouncements to varying degrees. The role, composition, appointment and qualified autonomy of the <IR> Framework Panel are defined in the IIRC's [Constitution](#).

Members of the **IIRC Team** who lead or support the development of most IIRC pronouncements (i.e., with the exception of certain Public Statements), are referred to as **technical staff**.

The procedures outlined in this **Procedures Handbook** outline minimum requirements for developing pronouncements. The IIRC and its <IR> Framework Panel strive to exceed these minimum requirements wherever possible.

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## International <IR> Framework

The Framework, and any revisions or updates thereto, are subject to a rigorous and transparent due process as described below.

### Proposals

Proposals to add or revise Framework content are selected by the <IR> Framework Panel on the basis of **proposal documents** prepared by technical staff. In the case of Framework amendments, proposal documents outline:

- The nature and scope of content covered by the amendment, including explicit exclusions
- Evidence to support the amendment, including academic research, feedback from <IR> Networks or other input
- Whether a task force will be established and, if so, its expected:
  - Composition
  - Scope
  - Work plan, including milestones and timeline
- The range and nature of expected consultations, including round tables, public forums or discussion papers.

Proposed amendments must be supported by at least two thirds of the <IR> Framework Panel, rounded up to the nearest whole number, to be added to the <IR> Framework Panel's schedule of activity.

### Preparation

The <IR> Framework Panel prepares **Consultation Draft** and final Framework content with support from technical staff.

## Consultation

The <IR> Framework Panel consults the **IIRC Council** on significant issues and reports on its activities to the **IIRC Board** as appropriate.

Drafts of new or revised Framework content are subject to public exposure in the form of a Consultation Draft that clearly identifies proposed text.

When developing a Consultation Draft, the <IR> Framework Panel consults the IIRC Council on significant issues.

A draft Consultation Draft is forwarded to the IIRC Board:

- On the basis of a recommendation that is agreed to by at least two-thirds of <IR> Framework Panel members, rounded up to the nearest whole number, whether given at a quorate <IR> Framework Panel meeting, or in writing
- Accompanied by a **Cover Memorandum** that summarizes:
  - Significant issues considered by the <IR> Framework Panel in developing the Consultation Draft and how those issues have been addressed, including views expressed in consultation with the IIRC Council
  - The reasons for dissenting votes, if any, from the <IR> Framework Panel.

A draft Consultation Draft is to be either:

- Approved by the IIRC Board for publication without amendment (other than corrections of a typographical, grammatical and/or non-substantive nature), or
- Referred back to the <IR> Framework Panel for further consideration and re-submission, along with the Board's reasons for not approving it.

When published, a Consultation Draft is:

- Accompanied by an **Explanatory Memorandum** that:
  - Summarizes significant issues considered during the development of the Consultation Draft and how those issues have been addressed
  - Summarizes the reasons for dissenting votes, if any, from the <IR> Framework Panel or IIRC Board
  - States that all submissions received will be treated as public documents and posted to the IIRC's website after the consultation period
  - States that only submissions in English will be considered by the <IR> Framework Panel
- Communicated to stakeholders through the IIRC's regular communication channels
- Open for public comment for a period that is ordinarily not less than 90 days long (absent unusual circumstances, which may include re-exposure of a particular issue) and in any event not less than 30 days long
- Made freely available on the IIRC's website.

Forums such as roundtables, public events, consultation papers and field tests may also be used to engage with stakeholders and obtain input.

## Finalization after public exposure

All submissions received on a Consultation Draft are:

- Treated as public documents and posted to the IIRC's website in a timely manner after the consultation period closes
- Considered by the <IR> Framework Panel.

The <IR> Framework Panel amends text in the Consultation Draft as appropriate and in light of the submissions received. As part of this process, the <IR> Framework Panel consults with the IIRC Council on significant issues.

Before finalizing the Framework, the <IR> Framework Panel actively considers whether fundamental changes have been made to the Consultation Draft, or substantive new issues have arisen that make re-exposure, in part or whole, appropriate.

## Approval

The final Framework is forwarded to the IIRC Board:

- On the basis of a recommendation supported by at least two-thirds of the <IR> Framework Panel members, rounded up to the nearest whole number, whether given at a quorate <IR> Framework Panel meeting or in writing
- Accompanied by a Cover Memorandum that summarizes:
  - The steps taken to develop the text, the <IR> Framework Panel’s conclusion about whether re-exposure, in part or whole, is appropriate, and a statement that, in the <IR> Framework Panel’s view, the procedures outlined in this Handbook have been followed
  - Significant issues considered by the <IR> Framework Panel in finalizing the text and how those issues have been addressed, including views expressed in consultation with the IIRC Council
  - The reasons for dissenting votes, if any, from the <IR> Framework Panel.

The final Framework is to be either:

- Approved by the IIRC Board for publication without amendment (other than corrections of a typographical, grammatical or non-substantive nature), or
- Referred back to the <IR> Framework Panel for further consideration and re-submission, along with the IIRC Board’s reasons for not approving it.

## Accountability

When published, the revised Framework is accompanied by a:

- **Basis for Conclusions** that summarizes:
  - Significant issues considered when changing text in the Consultation Draft and how those issues have been addressed
  - The reasons for dissenting votes, if any, from the <IR> Framework Panel or IIRC Board
- Notification of publication through the IIRC’s regular communication channels.

## Transparency

The IIRC’s commitment to accountability is facilitated by an open and transparent process. When developing new or revised Framework content, for example, the IIRC makes freely available on its website:

- The <IR> Framework Panel’s schedule of activity and related work plans
- Approved Framework proposal documents and periodic updates on progress
- Consultation Drafts and submissions received on Consultation Drafts
- The final Framework
- Other than papers deemed confidential by the Chair of the <IR> Framework Panel in consultation with the Chair of any relevant task force and the IIRC Team, Framework-related agenda papers of the <IR> Framework Panel, Council and Board in advance of meetings
- A recording or written summary of Framework-related discussions by the <IR> Framework Panel, Council and Board following meetings.

## Interpretations

Interpretations provide authoritative guidance on Framework principles and content. Interpretations are developed in response to observed or anticipated departures from core Framework concepts and principles. Interpretations are therefore prepared on an as-needed basis.

### Proposals

New or revised Interpretations are selected jointly by the <IR> Framework Panel and IIRC Team on the basis of proposal documents prepared by technical staff. In the case of Interpretations, proposal documents outline:

- The nature and scope of content to be covered by the Interpretation, including explicit exclusions
- Evidence to support the need for the new or revised Interpretation
- Whether a task force will be established and, if so, its expected:
  - Composition
  - Scope
  - Work plan, including milestones and timeline.

At least two thirds of the <IR> Framework Panel, rounded up to the nearest whole number, must support the development of a new or revised Interpretation.

### Preparation

The <IR> Framework Panel prepares Interpretations with the support of technical staff.

The <IR> Framework Panel consults the IIRC Council on significant issues and reports on its activities to the IIRC Board as appropriate. In certain cases, the IIRC Board may consider it necessary to expose a draft Interpretation to broader consultation, the parameters of which are at the IIRC Board's discretion.

### Approval

New or revised Interpretations are forwarded to the IIRC Board:

- On the basis of a recommendation supported by at least two-thirds of the <IR> Framework Panel members, rounded up to the nearest whole number, whether given at a quorate <IR> Framework Panel meeting or in writing
- Accompanied by a Cover Memorandum summarizing:
  - The steps undertaken to develop the Interpretation and a statement that, in the views of the <IR> Framework Panel, the procedures in this Handbook have been followed
  - Significant issues considered by the <IR> Framework Panel in finalizing the text and how those issues have been addressed
  - The reasons for dissenting votes, if any, from the <IR> Framework Panel.

The final Interpretation is to be either:

- Approved by the IIRC Board for publication without amendment (other than corrections of a typographical, grammatical or non-substantive nature), or
- Referred back to the <IR> Framework Panel for further consideration and re-submission, along with the IIRC Board's reasons for not approving it.

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## Practice Notes

Practice Notes, which provide non-prescriptive guidance on the implementation of Framework and Interpretations concepts are initiated, prepared and approved according to the following procedures.

### Proposals

Practice Notes are generally guided by market need and observed deficiencies in reporting practice, as indicated by, for example:

- Feedback from <IR> Business Network participants and other report preparers
- Framework implementation reviews conducted by technical staff or third parties
- Facts or evidence presented in credible articles, reports or research studies
- Recurrent questions or themes arising during meetings, conferences and other forms of engagement

Recommendations for new Practice Notes are presented in proposal documents developed by technical staff. In the case of Practice Notes, proposal documents outline the nature and scope of the proposed pronouncement and the evidence base to support its development. Proposal documents are distributed to the <IR> Framework Panel for comment. The IIRC Team evaluates and selects recommended Practice Notes on the basis of proposal documents.

### Preparation

Practice Notes are prepared by technical staff, drawing on ad hoc committees or other resources, including case studies, research and interviews, as needed. Although Practice Notes are beyond the remit of the <IR> Framework Panel, technical staff may nonetheless seek its feedback on the clarity and utility of draft Practice Notes, and their consistency with the Framework and Interpretations.

### Approval

Practice Notes do not require approval by the IIRC Board or the <IR> Framework Panel. This class of pronouncements is reviewed and approved internally by the IIRC Team.

## Public Statements

Public Statements may announce an important IIRC milestone or initiative or communicate its stance on a given issue, development or external body of work. This class of pronouncements includes open letters, transcripts of speeches, press releases and consultation responses.

### Proposals

Procedures for initiating Public Statements vary according to the individual pronouncement and, in particular, the subject matter covered. Unlike other pronouncements, this class does not require the development of a formal proposal document. Rather, the decision to proceed with a Public Statement is generally made by the IIRC Team more fluidly and as opportunities arise. The IIRC Team may consider, for example, the relevance of a prospective Public Statement to the IIRC's mission and vision. Other influencing factors may include market expectations or the pronouncement's potential profile/visibility or its reinforcement of previous Public Statements.

### Preparation

The process for preparing Public Statements varies according to the pronouncement and its subject matter focus. For example, open letters and transcripts of speeches may relate to policies, regulations or other market developments. Press releases may cover similar ground, albeit more succinctly, or may simply announce the launch of an IIRC event, program or publication as a normal course of business. Finally, consultation responses may span technical, policy and regulatory arenas.

On this basis, general responsibilities for leading or supporting the preparation of Public Statements are as outlined below.

- Open letters and transcripts of speeches are generally prepared by strategy, policy and/or communications staff, with other functional support as appropriate.
- Press releases are prepared by communications staff, with other functional support as appropriate.
- Consultation responses related to draft *policies or regulations* are prepared or overseen by strategy or policy staff, based on an assessment of the draft's conceptual basis, congruency with stated objectives and clarity of structure and terminology. Other functional support is provided as appropriate.
- Consultation responses to draft *corporate reporting standards or frameworks* are prepared by technical staff, based on an assessment of the draft's conceptual basis, congruency with stated objectives and clarity of structure and terminology. Strategy and policy staff provide support as appropriate.

### Approval

Public Statements do not require approval by the IIRC Board or the <IR> Framework Panel. This class of pronouncements is reviewed and approved internally by the IIRC Team.

# Glossary

**Basis for Conclusions.** A document that accompanies revisions to the International <IR> Framework. The document summarizes significant issues considered when changing text in the Consultation Draft and how those issues have been addressed. It also lists reasons for dissenting votes, if any, from the <IR> Framework Panel or IIRC Board.

**Consultation Draft.** Identifies proposed amendments to the International <IR> Framework as a basis for soliciting public feedback.

**Cover Memorandum.** Communication from the <IR> Framework Panel to the IIRC Board to accompany a Consultation Draft or draft Interpretation. At a minimum, the memorandum outlines significant issues considered during the preparation of the draft pronouncement and any dissenting votes from the <IR> Framework Panel.

**Explanatory Memorandum.** Communication from the <IR> Framework Panel to the general public to accompany a Consultation Draft. At a minimum, the memorandum outlines the significant issues considered during the preparation of the Consultation Draft, any dissenting votes from the <IR> Framework Panel and parameters of the consultation period.

**IIRC Board.** Body with final accountability, responsibility and related fiduciary duties for the direction, oversight and control of the IIRC's affairs.

**IIRC Council.** A global coalition of regulators, investors, companies, standard setters, the accounting profession and NGOs. The coalition promotes communication about value creation as the next step in the evolution of corporate reporting.

**IIRC Team.** Dedicated management and staff, established to provide a support and coordination function and secretariat in relation to the IIRC's initiatives and activities.

**<IR> Framework Panel.** A body of 12 to 15 individuals that recommends for IIRC Board sign-off any revision, modification or other update to the International <IR> Framework, including draft versions thereof for public consultation. The <IR> Framework Panel also provides input on other guidance material as requested.

**Other Communications.** Resources, publications or other written communications that are not classed as IIRC pronouncements.

**Procedures Handbook.** Describes the scope of IIRC publications and the procedures underpinning their development.

**Pronouncement.** A formal or authoritative statement, position or opinion issued in writing.

**Proposal document.** A document that outlines a recommended change to the International <IR> Framework or the development of a new/revised Interpretation or Practice Note.

**Technical staff.** Members of the IIRC Team who lead or support the development of the International <IR> Framework, Interpretations, Practice Notes and certain Public Statements.