In the ten years since the IIRC was created we have helped propel the wave of change that has swept across the global economy since the financial crisis. During this time, we have witnessed the emergence of many new initiatives which broadly share the same purpose. These initiatives have created awareness, developed new tools and commissioned the research and evidence base that are helping to shape a new understanding of how value should be measured, reported upon and accounted for in the twenty-first century.

In this integrated report you will see the further progress the IIRC has made in delivering our strategy in 2019, with increased levels of adoption, new guidance on integrated thinking, increasing support from policy makers and a clearer focus on building momentum in key markets.
As we write this statement there is a growing sense of urgency to deliver a comprehensive and aligned corporate reporting system and a matching renewal of selfless commitment on the part of this movement to put our shoulder to the wheel to achieve it. The world has also just been impacted by the coronavirus (COVID-19) pandemic, which is testing business resilience like never before and forcing the review of business models. It will also highlight the importance of human and manufactured capital. We believe that using our framework for integrated thinking and integrated reporting can support businesses and our financial markets navigate these testing and uncertain times.
In the ten years since the IIRC was created we have helped propel the wave of change that has swept across the global economy since the financial crisis. The relevance of climate change to long-term financial performance is no longer questioned. The connection between human and intellectual capital management and prosperity is obvious. And the need for businesses to adopt more transparent practices, drawing on the discipline of integrated thinking to bring about genuine connectivity of information and underpin investor confidence and public trust, is indisputable.

During this time, we have witnessed the emergence of many new initiatives which broadly share the same purpose. These initiatives have created awareness, developed new tools and commissioned the research and evidence base that are helping to shape a new understanding of how value should be measured, reported upon and accounted for in the twenty-first century. It is our collective challenge today to join the dots between these initiatives, to create a compelling and unified movement that will bring clarity to preparers, users and all relevant stakeholders.

The relevance of a conceptual framework that guides businesses on a global basis to a new natural state - a 21st century corporate reporting system based on the principle of value creation - is clear. Every business in the world has resources that it must steward carefully, taking managed risks and seizing opportunities to create value over time. If that value is created for the long term then there must be dialogue with different stakeholders to build and sustain trusted and resilient relationships, custom, and investment.

While the fundamental intellectual argument has been won, there is still much work to be done to create a comprehensive corporate reporting system with accepted and credible standards for each dimension of value and a global oversight architecture that gives legitimacy to both financial information and information across the other capitals. Information relating to the drivers of value and as such is often referred to as ‘pre-financial’. We see these twin goals as supporting the global adoption of integrated reporting and it is the mission to which we are devoted.

We pursue our goals in a spirit of collaboration and we will work with established forums such as the Corporate Reporting Dialogue, the World Economic Forum and the European Union to advance both partnership and action to bring about convergence, increased relevance and achievement of our mission. During 2019 the Dialogue, in particular, has strengthened its voice and produced invaluable guidance to support business adoption of the Task Force on Climate-related Financial Disclosures (TCFD) recommendations.

Alongside much-needed changes to the structure and oversight of the corporate reporting system, the IIRC has an ambitious programme in its own right and the revision of the International Integrated Reporting Framework, now adopted in over 70 countries, is aimed at reinforcing its relevance in a world that is accepting the need for radical business model change to adopt the United Nations 2030 Global Goals and adjust to the impact of the Fourth Industrial Revolution. In this integrated report you will see the further progress the IIRC has made in delivering our strategy in 2019, with increased levels of adoption, new guidance on integrated thinking, increasing support from policy makers and a clearer focus on building momentum in key markets. We are also pleased that steps have been taken to strengthen the level of assurance over the information in this report.

We reiterate our appreciation for Dominic Barton’s leadership of our Council and wish him well with his diplomatic appointment as Canada’s Ambassador to China. We also thank our Co-Deputy Council Chairs John Stanhope and Peter Bakker for their leadership until a replacement Chair is appointed.

Our small team remains devoted and energetic, championing our work and implementing our strategy with great commitment and skill. It is right that we use this opportunity to thank them for their work. We would also like to thank the many members of the broader IIRC “family”, whether Board, Governance and Nominations Committee, <IR> Framework Panel or Council members, IIRC Ambassadors, partner, sponsors or individual advocates, for their support. Without them we would neither have made the progress we have, nor be able to put forward an ambitious global strategy for the future.

Barry Melancon,
Chair, IIRC Board

Charles Tilley,
Interim CEO, IIRC

Jane Diplock,
Chair, IIRC Governance and Nominations Committee