Q7: Q1(a) What is your experience with the multiple capitals approach in integrated reports?

A major issue of connectivity. What are the common denominators across the six capitals by which it is possible to analyse the impact of re-allocating one capital on the strength of the other capitals, for example, or to decide between investments in one capital over against another? Arguably there are only 3. The first is reducing all 6 capitals to a monetary unit, but this would be regressive in terms of seeing corporations only in financial terms including financial sustainability. The second is environmental sustainability but while this is clearly key to natural capital, it seems to have little immediate relevance for human capital but the link often seems remote for example IT companies in Silicon valley or for human capital and intellectual capital.

The third option is to consider all the capitals from the perspective of relational capital e.g. financial capital (e.g. relationships with shareholders), human capital (e.g. relationships with employees), natural capital (e.g. relationships between generations) and social and relational capital (e.g. relationships a company has with society at large by paying tax etc. and its relationships with its stakeholders such as suppliers, customers etc.).
Q8: Q1(b) What, if anything, should be done and by whom to improve this aspect of implementation?

Different models of <IR> should be considered e.g. financially based <IR>, relationship based <IR> and environmentally based <IR>. Detailed information could be provided on disclosure requirements and content requirements for each of these alternative sub-frameworks.

PAGE 3: Connectivity and integrated thinking

Q9: Q2(a) What is your experience with connectivity in integrated reports as an indication of integrated thinking and/or enabler of enhanced decisions?

Not read many reports but little signs of connectivity. The problem is in the trade-offs and difficulties of integration.

Q10: Q2(b) What, if anything, should be done and by whom to improve this aspect of implementation?

The <IR> council should consider sub-framework options, who could prepare these options including expected information and disclosure requirements and propose ways that the sub-frameworks could be piloted by member organisations.

PAGE 4: Key stakeholders’ legitimate needs and interests

Q11: Q3(a) What is your experience with the identification, in integrated reports, of key stakeholders’ legitimate needs and interests and how those needs and interests are considered and addressed?

There seems to be a problem in distinguishing between "authentic" and "instrumental" relationships - where the latter view stakeholders only from the perspective of the long-term benefits of the stakeholder relationship to stakeholder value. The danger is that relationships are simply seen as a means to an end and ultimately this undermines the legitimacy of the <IR> approach.

Q12: Q3(b) What, if anything, should be done and by whom to improve this aspect of implementation?

Various aspects of information published by a company in its annual report, CSR report etc. indicate the extent to which a company is genuinely considering the wellbeing of the stakeholder. This would include, for example, what proportion of suppliers are paid within 30 days, or pay differentials between the top and the bottom of a company in terms of employee relationships. IIRC specificity in terms of expected disclosure, and content of disclosure, would help the public determine the extent to which stakeholder relationships are simply used a means to greater long-term profitability or are genuinely in the interests of the stakeholder and the company itself.

PAGE 5: Materiality and value creation

Q13: Q4(a) What is your experience with the Framework’s definition of materiality, in particular: • Application of the value creation lens? • Use of different time periods to identify material matters?

Materiality seems to refer primarily to the impact of a capital on the long-term benefit to the shareholders as the primary stakeholder. While recognising that the relationship with shareholders is key, it is crucial that the principles of “no reward without responsibility” and “no investment without involvement” are adhered to. So the emphasis on long-term shareholder value should be balanced by analysis of how the shareholders have demonstrated responsibility in their relationships with society, employees, suppliers, customers and other stakeholders.

Q14: Q4(b) What, if anything, should be done and by whom to improve this aspect of implementation?

Again, the ball seems to be in the IIRC’s court as the promoter and organisation responsible for defining the framework and process of Integrated Reporting.
PAGE 6: Conciseness

| Q15: Q5(a) What is your experience with the conciseness of integrated reports? | Respondent skipped this question |
| Q16: Q5(b) What, if anything, should be done and by whom to improve this aspect of implementation? | Respondent skipped this question |

PAGE 7: Business model – outputs and outcomes

| Q17: Q6(a) What is your experience with the reporting of business model information, particularly outputs and outcomes? | Respondent skipped this question |
| Q18: Q6(b) What, if anything, should be done and by whom to improve this aspect of implementation? | Respondent skipped this question |

PAGE 8: Those charged with governance / Framework identification

<table>
<thead>
<tr>
<th>Q19: Q7(a) What is your experience with whether reports: (i) identify the involvement of those charged with governance, and (ii) indicate that they are presented in accordance with the Framework? What are the implications of excluding such information?</th>
</tr>
</thead>
<tbody>
<tr>
<td>The absence of anyone at board level having responsibility for stakeholder relationships inevitably means that these relationships are subservient at board level to the immediate financial requirements that the company faces. Thus the good intentions of the framework are too easily subsumed under short-term financial pressures and priorities.</td>
</tr>
<tr>
<td>Q20: Q7(b) What, if anything, should be done and by whom to improve these aspects of implementation?</td>
</tr>
<tr>
<td>The IIRC could more strongly advocate a stakeholder relationship Director to work alongside the Financial Director to balance better the priorities of the board and to ensure more consistent engagement at a board level between the company and its major stakeholders.</td>
</tr>
</tbody>
</table>

PAGE 9: Other Guiding Principles

| Q21: Q8(a) What is your experience with the application of these remaining three Guiding Principles in integrated reports? | Respondent skipped this question |
| Q22: Q8(b) What, if anything, should be done and by whom to improve these aspects of implementation? | Respondent skipped this question |

PAGE 10: Other Content Elements

| Q23: Q9(a) What is your experience with how these remaining Content Elements are reported in integrated reports? | Respondent skipped this question |
Q24: Q9(b) What, if anything, should be done and by whom to improve these aspects of implementation?  
Respondent skipped this question

PAGE 11: Other quality issues

Q25: Q10(a) Aside from any quality issues already raised in Q1-Q9, what is your experience with the quality of integrated reports?
Social and Relational capital is reduced often to a discussion of levels and use of CSR expenditure, thus ignoring the risks involved in poor stakeholder relationships with suppliers, customers etc. and also trivialising Social and Relational capital to an issue of minimum importance compared to financial capital, human capital and environmental capital.

Q26: Q10(b) What, if anything, should be done and by whom to improve this aspect of implementation?
The IIRC so far, by its reluctance to insist on minimum standards of reporting in regard to social and relational capital, could be said to have colluded with companies ignoring the impact of their behaviour on the "Relational capital" of wider society (defined as the stock of high quality, authentic relationships between individuals, organisations, ethnic groups, nations and future generations across a society). The wider question is, therefore, to what extent even companies doing <ir> are contributing to the growth of individualism and materialism which both undermine the "relational sustainability" of a society which finds expression in extremely low birth rates and marriage rates. This leads unsustainable population, caring capacity for the vulnerable and workforce.

PAGE 12: Other enablers, incentive and barriers

Q27: Q11(a) What is your experience with enablers, incentives or barriers to Framework implementation not covered by other questions, including the extent to which they apply particularly to: • Specific jurisdictions? • Large or small organizations? • Private, public or non-profit sectors? • Different stages of Framework implementation?  
Respondent skipped this question

Q28: Q11(b) What, if anything, should be done and by whom to improve these aspects of implementation?  
Respondent skipped this question