

<IR> Framework Panel: Meeting of 7 April 2020

Chair	Erik Breen
Members	Jean-Luc Barlet, Sarah Bostwick Stromoski, Stathis Gould, Nurmazilah Dato' Mahzan, Michael Gebbert, Nancy Kamp-Roelands, Yoichi Mori, Leigh Roberts, Tom Roundell-Greene, Jason Voss, Zubair Wadee
IIRC	Richard Barker, Lisa French, Laura Girella, Liz Prescott
Apologies	Hugh Shields (written comments provided in advance)
Minutes	Liz Prescott
Agenda	<ol style="list-style-type: none"> 1. Welcome and attendance 2. Minutes of previous meeting (11 February 2020) 3. Analysis of responses to Topic Paper 1: Responsibility for an integrated report - Q1 4. Regional roundtable status: Update 5. Regional roundtable status: Host information pack 6. Other business and meeting conclusions

1. Welcome and attendance

The Chair welcomed Panel members and noted apologies.

2. Minutes of previous meeting and matters arising

The Chair asked for corrections or amendments to the minutes of the 11 Feb 2020 meeting, which had been circulated with the meeting papers. None were offered, and the minutes were accepted without further change.

3. Analysis of responses to Topic Paper 1 – Responsibility for an integrated report – Q1

Review of survey feedback

- The IIRC team noted good diversity among survey respondents in terms of stakeholder group and regional representation. Notably, the team observed relatively limited participation from the investor community and North American region. With this in mind, special attention should be given to these underrepresented groups during the 90-day consultation.
- The IIRC team noted, in a limited number of cases, a discrepancy between *yes-no-undecided* responses and respondents' accompanying narrative explanations. In such cases, responses were recategorized and clearly identified for Panel members. In these limited cases, explanatory remarks were given priority on the basis that they provided a clear signal of respondents' intent.
- Fifty-nine per cent of respondents supported a shift to process disclosures in Paragraph 1.20, with a wide variety of reasons offered. One Panel member observed that many of the 59% in favour of the shift cited the benefits of process-related information, rather than any particular concerns with the statement of responsibility. Others within the 59% called for process disclosures in addition to the existing statement of responsibility. The IIRC team was encouraged to further segment the responses to formally confirm the level of support for a hybrid approach.
- Those opposing the proposed shift to process-related disclosures (39%) converged on a relatively smaller number of robust arguments.
- Panel members noted that the aim of Paragraph 1.20 is to hold preparers of integrated reports to account; this favours a retention of the required statement of responsibility. At the same time, many respondents to Topic Paper 1 see value in understanding the process behind the report's preparation. Combined, these factors support a hybrid approach to Paragraph 1.20, one that also considers the potential reporting burden imposed on organizations.

- Recommendations stemming from the discussion were as follows:
 - A The <IR> Framework should maintain the required statement of responsibility, but simplify the requirement in three ways:
 - Remove the required commentary on the application of a collective mind, which is problematic for many
 - Remove the second half of Paragraph 1.20, which refers to phase-in plans
 - Clarify the scope of the term ‘those charged with governance’.
 - B Relatedly, the Glossary should indicate that the term ‘those charge with governance’ can refer to different functions or formal governance bodies (or combinations thereof) and can vary by jurisdiction and governance model.
 - C The second half of Paragraph 1.20 should be replaced with encouraged ‘supplementary disclosures’ on the reporting process followed on the basis that such disclosures:
 - Offer insight into board and senior management involvement in integrated reporting
 - Provide concrete support for the required statement of responsibility.

Administrative considerations

- The IIRC team flagged that, in a few cases, responses had been received by organizations that employ Panel members. Relevant Panel members confirmed that they had either abstained from participating in the organizational responses or that their respective organizations had taken measures, including pursuing wider stakeholder consultation, to ensure independence.
- The Panel agreed that, with respect to a published summary report, excerpts from respondent feedback could be edited for readability; however, such changes should either be delineated from the original text (e.g. using italics) or handled in another transparent manner.

4. Regional roundtables: Update

- The IIRC team shared an update on roundtables planned for the 90-day consultation. Roughly 25 virtual sessions will take place around the world, with some offered to Business Network participants in lieu of the IIRC’s European conference in June.
- Dates for roundtables in Australia, Germany, the Netherlands and USA are confirmed. Panel members were asked to contact the IIRC team to confirm dates for their respective regions.
- Contacts in Italy, Brazil and Hong Kong have confirmed their commitment to host sessions.
- Given their low representation in survey responses, investors will be particularly targeted.

5. Regional roundtables: Host information pack

- A comprehensive pack (including sample save-the-date and invitation emails, session agendas, planning checklists and facilitator’s guides) has been prepared for session hosts. Panel members were asked to send feedback on the draft pack to the IIRC team.
- Hosts will be encouraged to use Zoom for virtual sessions. The IIRC team will run interactive functionality sessions to assist hosts with the technical aspects of the application.
- A detailed presentation deck, sample agenda and plenary/breakout session questions will be provided to hosts in mid-May, following the launch of the 90-day consultation period.

6. Other business and meeting conclusions

- The IIRC team confirmed the replacement of the 28 April in-person meeting with a 3-hour virtual meeting. Updated invitations have been sent to Panel members.
- Plans to revise the August in-person meeting in New York will be addressed in due course.
- Before closing the meeting, the Chair thanked all Panel members for their contributions, and IIRC team for its work. The next meeting scheduled for **Tue 14 Apr 2020**.