

The IIRC Board has been kept updated at all stages of the International <IR> Framework revision process by the Interim IIRC CEO, Charles Tilley, IIRC Chief Technical Officer, Lisa French, and/or Chair of the <IR> Framework Panel, Erik Breen, consistent with what has been shared with the IIRC Council.

Below is an extract from the IIRC Board meeting of 29 April 2020 that relates to the International <IR> Framework revision update.

- Erik Breen introduced the update and, with input from Lisa French provided an update on the plans and progress of the 2020 Framework revision, which was summarized as:
  - Three focused engagement topic papers were launched for a 30-day consultation period 20 February to 20 March 2020:
    - Topic Paper 1 - Responsibility for an integrated report - which received 101 responses; from 35 countries
    - Topic Paper 2 - Business model results -104 responses; 33 countries
    - Topic Paper 3 - Charting a path forward - 90 responses; 33 countries.
  - Feedback from the topic papers has informed the Panel's recommendations which will be included in the 90-day consultation which launches in May 2020. These will be provided to Directors in advance of the consultation period launch for their approval. The main recommendations were summarized as:
    - **Avoid referencing external standards and initiatives** – the main concern was to maintain independent and neutral, avoid unintended signals. Guidance can be made outside of Framework
    - **Simplify the statement of responsibility** - maintain but simplify which could be achieved by removing specific commentary; clarify what is meant by 'those charged by governance'
    - **Provide clarity on the business model** – distinguish outputs and outcomes; elevate importance of outcomes; promote balanced reporting of outcomes
- It was noted that due to the current limitations on in person meetings, virtual roundtable sessions will be delivered by partner organizations around the world to ensure we gather wide ranging feedback from stakeholders internationally.

Points and comments were made by individual meeting participants as follows:

- Was it correct that there were no investor respondents? This was confirmed. The Framework Panel would be looking into how to best promote the consultation draft with the investor community. A suggestion was made to mobilize Council's investor contacts and it was confirmed that this would be investigated.
- It was noted that local legislation and liability that comes with Board sign off is a barrier to adoption. It was confirmed that this is indeed seen by some as an obstacle for sign off of an integrated report however the Framework Panel did not want to play down the requirement as removing it could be an unintended signal to the market. Keeping it in was supported by many groups that participated in the 30-day consultation. If the requirement was removed, the IIRC would be working against the responses seen in the survey. The importance of the sign off needs to be emphasized as a reinforcement of the requirement.
- The Chair noted there is a movement for rationalization in market and having a Framework which is being refreshed is important. Erik Breen was thanked for his leadership.

#### **Conclusions/Decisions**

- N.A.

#### **Actions**

- The Board will be provided in the coming weeks with a draft Framework revision consultation document for their approval.