

## <IR> Framework Panel: Meeting of Tuesday 20 October 2020

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| <b>Chair</b>     | Erik Breen   |
| <b>Members</b>   | Jean-Luc Barlet, Michael Gebbert, Nurmazilah Dato' Mahzan, Nancy Kamp-Roelands, Leigh Roberts, Tom Roundell-Greene, Zubair Wadee   |
| <b>IIRC</b>      | Richard Barker, Caroline Bridges, Lisa French, Laura Girella, Liz Prescott, Amy Wilson   |
| <b>Apologies</b> | Yoichi Mori, Hugh Shields, Jason Voss  |
| <b>Minutes</b>   | Amy Wilson   |
| <b>Agenda</b>    | <ol style="list-style-type: none"> <li>1. Agenda: Meeting of 20 October 2020</li> <li>2. Minutes of previous meeting (6 Oct 2020)</li> <li>3. Consultation feedback – Question 11</li> <li>4. Consultation feedback – Question 12</li> <li>5. Consultation feedback – Question 13</li> <li>6. Consultation feedback – Question 14</li> <li>7. Consultation feedback – Question 15</li> <li>8. Treatment of issues</li> <li>9. Any other business</li> <li>10. Conclusion and next steps</li> </ol> |

### 1. Agenda: Meeting of 20 October 2020

The Chair welcomed Panel members, noted apologies and acknowledged comments sent in advance of the meeting by one absent Panel member.

### 2. Minutes of previous meeting (6 Oct 2020)

The minutes of the 6 October 2020 meeting were circulated on 18 October 2020. The Chair invited questions or comments and silence was noted as acceptance of the minutes as written.

### 3. Consultation Feedback – Question 11

IIRC staff introduced feedback to Question 11, which asked whether the purpose of an integrated report should be extended from providers of financial capital alone to providers of other forms of capital. Similar to the focused engagement question posed in Topic Paper 3 (Q1) the majority of respondents supported the proposal, but to a lesser extent – i.e. **Consultation Draft:** 58% support/ 22% oppose/ 20% undecided versus **Focused Engagement:** 70% / 22% / 8%. IIRC staff summarized arguments for and against the proposal. The Chair asked IIRC staff to revisit the responses to identify stakeholder classes supporting and opposing the proposal. IIRC staff invited further Panel member feedback via email out of session.

### 4. Consultation Feedback – Question 12

IIRC staff noted that Question 12 invited views on an online resource outside the <IR> Framework to showcase authoritative sources of indicators and methodologies across the capitals. A clear majority supported the proposal (77%) and offered suggestions as to the standards, frameworks or other initiatives that might be referenced. In response, the IIRC prepared a proposal to take the matter forward, by investigating existing resources to which the IIRC might add. Panel members were invited to comment on the proposal out of session.

### 5. Consultation Feedback – Question 13

Not covered due to time constraints. Panel members were asked for feedback via email.

### 6. Consultation Feedback – Question 14

Not covered due to time constraints. Panel members were asked for feedback via email.

### 7. Consultation Feedback – Question 15

Not covered due to time constraints. Panel members were asked for feedback via email.

## 8. Treatment of issues

IIRC staff referred to the 15 issues arising from consultation questions 1 – 5. Issues were classified as minor (i.e. related to concerns over clarity and emphasis) or significant (i.e. related to conflicts/contradictions of content and intent). Four issues were deemed significant and 11 deemed minor.

### **Statement of responsibility**

- Issue 1** Related to a simple formatting correction and was agreed to by the Panel.
- Issue 2** The Panel felt that the word ‘*can*’ in paragraphs 1.24 and 1.25 of the Consultation Draft were not strong enough and should be changed to ‘*is encouraged*’.
- Issue 3** Silence was taken that the Panel agreed to further explanation of what ‘*in accordance with*’ meant, per paragraph 1.21. One member raised concern that the ‘*extent to which*’ wording in paragraph 1.20 could potentially be abused by preparers (i.e. as a crutch for not meeting the <IR> Framework requirements). The Panel agreed to add a sentence to paragraph 1.21 along the following lines: ‘*Where the requirements are not met, this should be explained.*’ The IIRC team also noted an existing FAQ addresses this point and could be further profiled.
- Issue 4** The Panel had no objections to the proposed reordering of paragraph 1.20
- Issue 5** The Panel agreed to a reordering of the purpose, form and example of the process disclosure guidance in paragraph 1.24
- Issue 6** The Panel agreed that the term ‘*those charged with governance*’ should be hyperlinked to the Glossary. The Panel agreed that all Glossary-defined terms should receive a hyperlink at their first mention.
- Issue 7** The Panel agreed that time limits on partial adoption could be addressed in the Getting Started Guide
- Item 8** The Panel concurred with the IIRC’s view in relation to guidance on process disclosures, and that no further changes were required to paragraph 1.24

### **Those charged with governance – Glossary definition**

- Item 9** The Panel agreed with Option B in relation to the definition of ‘*those charged with governance*’
- Issue 10** The Panel agreed with Option B, that the revised definition of ‘*those charged with governance*’ refer to ‘*executive management*’
- Issue 11** The Panel agreed an FAQ should be developed based on the explanation provided

### **Those charged with governance – Supporting guidance**

- Issue 12** The Panel agreed to Option A and the proposed revision to paragraph 1.22
- Issue 13** The Panel agreed to the suggested revised text for paragraph 1.22
- Issue 14** The Panel agreed to the suggested revised text for paragraph 1.23
- Issue 15** The Panel proposed an additional option, agreeing that the preceding part of the paragraph be deleted and paragraph 1.23 begin with something along the lines of: ‘*It is important to consider the intent of paragraph 1.20...*’.

## 9. Any other business

No other issues were raised.

## 10. Conclusion and next steps

The Chair identified that the next <IR> Framework Panel meeting was not scheduled until December 2020, requested a meeting be added to the workplan for two weeks’ time and asked the IIRC team to revisit the meeting schedule and make any necessary amendments as soon as possible. The Chair reconfirmed Tues 3 Nov as the date for the next <IR> Framework Panel meeting, thanked all attendees for their contributions and ended the meeting.