The IIRC welcomes comments on all aspects of the Discussion Paper from all stakeholders, whether to express agreement or to recommend changes. Your answers to the Consultation Questions, and any other comments you would like to make, should be submitted on this form (submitted electronically at end of document) or sent via email to dpresponses@theiirc.org.

For the purpose of analysis, you are asked to identify the organization to which you belong and where it is located. All comments received will be considered a matter of public record and will be posted on www.theiirc.org.

Comments should be submitted by Wednesday 14th December 2011.

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Type of Stakeholder (please tick one as appropriate)

- ○ Academic
- ○ Analyst
- ○ Assurance Provider
- ○ Business
- ○ Consultant
- ○ Government
- ○ Inter-Governmental Agency
- ○ Investor
- ○ Labour Representative
- ○ Non-Governmental Organization
- ○ Professional Body
- ○ Rating Agency
- ○ Standard Setter
- ○ Student
- ○ Think Tank
- ○ Trade or Industry Association
- ○ Other, please specify below

Key Points

If you wish to express any key points, or to emphasise particular aspects of your submission, or add comments in the nature of a covering letter, then the following space can be used for this purpose.

The World has Changed – Reporting Must Too (page 5 of the Discussion Paper)

Q1. (a) Do you believe that action is needed to help improve how organizations represent their value-creation process? Why/why not?

Companies' reportings are one of the major sources of information for investors. Yet, the plurality, complexity and size of reportings do not always allow a global understanding of a company, and make the analysis very time consuming. In order to make efficient and reliable decisions, it seems indeed important to address such an issue.

Q1. (b) Do you agree that this action should be international in scope? Why/why not?

The emergence of an international standard is definitely welcome, but it emphasizes the necessity to clearly identify which internationally admitted norms can/will be used as the core basis to build an Integrated Reporting framework. Moreover, considering the governance and composition of IIRC, one might argue on its ability to legitimately represent the international level.

Towards Integrated Reporting (page 6 of the Discussion Paper)

Q2. Do you agree with the definition of Integrated Reporting on page 6? Why/why not?

This definition seems appropriate regarding the urge of a complete yet concise reporting allowing a global understanding of a company's strategy and performance.
However, it seems important to define the two core ideas underlying this definition. On the one hand, the concept of "materiality" can be challenged since companies are concerned with reputational risk at every level, making everything potentially "material". Moreover, criteria in relation to which materiality is defined should be specified. On the other hand, "value creation" needs to be defined, since it can relate to only financial matters or also include extra-financial issues, concern only shareholders or cover all the stakeholders, etc. On the whole, Natixis AM

An International Integrated Reporting Framework (page 8 of the Discussion Paper)

Q3. Do you support the development of an International Integrated Reporting Framework? Why/why not?

Considering the high level of intricacy within multinational groups and the globalization, thinking a new reporting framework can only be done on an international basis. Still, an international scope requires the definition of a set of core and internationally accepted norms.

Q4. (a) Do you agree that the initial focus of Integrated Reporting should be on reporting by larger companies and on the needs of their investors? Why/why not?

As a large asset manager, Natixis AM invests in both large and small-mid caps, and relies on the information given. Large companies tend to provide extended reports. Yet, clear and suitable information is often either missing or quite difficult to find, which, to some extent, may limit our analysis. As for small & mid cap, their reports generally only give a rough understanding of their situation. Focusing on large caps seems to be a coherent first step since the groups are more complex. Still, Natixis AM believes that companies should go beyond the sole investors' needs. Indeed, on the one hand, investors' interests are not homogeneous. On the other hand, even though investors are not necessarily directly

Q4. (b) Do you agree that the concepts underlying Integrated Reporting will be equally applicable to small and medium enterprises, the public sector and not-for-profit organizations?

Natixis AM believes that core concepts should be the same for large and small/mid caps, as for other types of organizations, but with a certain level of adaptation considering their specificities (size, resources, etc.).

Business Model and Value Creation (page 11 of the Discussion Paper)

Q5. Are: (a) the organization's business model; and (b) its ability to create and sustain value in the short, medium and long term, appropriate as central themes for the future direction of reporting? Why/why not?

The concept of business model as means to create and sustain value seems to be relevant. The idea that the externalities of a company on its own capitals should be taken into account is mentioned in the text. Yet, it would be relevant to emphasise it, since it is a critical driver of sustainable value creation.

Q6. Do you find the concept of multiple capitals helpful in explaining how an organization creates and sustains value? Why/why not?

These 6 capitals are helpful since they appear to summarize effectively the different issues that are necessary to fully understand a company's situation.

Guiding Principles (page 12 of the Discussion Paper)

Q7. Do the Guiding Principles identified in the Discussion Paper provide a sound foundation for preparing an Integrated Report – are they collectively appropriate; is each individually appropriate; and are there other Guiding Principles that should be added? Why/why not?

These Guiding Principles seem to be an appropriate basis to elaborate an Integrated Report, both individually and collectively, since they encompass the core needs of third parties analysts in terms of quality of information, topic and issues. Still, as mentioned before, Natixis AM points out the importance of clarifying the concept of "materiality".

Content Elements (page 15 of the Discussion Paper)

Q8. Do the Content Elements identified in the Discussion Paper provide a sound foundation for preparing an Integrated Report– are they collectively appropriate; is each individually appropriate; and are there other Content Elements that should be added? Why/why not?

These Content Elements both individually and collectively, seem to address all the elements needed by analysts to fully understand a company's situation, issues and challenges. Note: concerning the remuneration, insuring pay for performance, as implied in the text, is essential, and so is avoiding pay for failure. Adding this could be a relevant contribution to the Content Element "Governance and Remuneration".

What Will Integrated Reporting Mean for Me? (Reporting organizations – page 21, Investors – page 22, Policymakers, regulators and standard-setters – page 23, Other perspectives – page 24 of the Discussion Paper)

Q9. (a) From your perspective: Do you agree with the main benefits as presented in the Discussion Paper? Why/why not?

Natixis AM agrees with the main benefits, since leading researches show that classic financial theory of markets is obsolete: value creation is different than short term optimisation, and social benefits of a company can not be limited to profit yield.

Q9. (b) From your perspective: Do you agree with the main challenges as presented in the Discussion Paper? Why/why not?

Challenges as presented are relevant; investors' consciousness needs to be raised. Still, investor's interests are linked to some extent to regulations, which sometimes tend to focus on short term issues. Challenges are also present on this level.

Q9. (c) From your perspective: Do you agree that Integrated Reporting will drive the disclosure of information that is useful for integrated analysis (from the perspective of investors)? Why/why not?

Natixis AM agrees on the idea that Integrated Reporting will enhance the level of disclosure and therefore be useful for integrated analysis. Still, supposing that all investors have the same interests is wrong, both regarding liquidity and investment terms.

Future Direction (page 25 of the Discussion Paper)

Q10. (a) Do you agree that the actions listed in the Discussion Paper should be the next steps undertaken by the IIRC? Why/why not? Are there other significant actions that should be added?

Natixis AM agrees with these future directions, which seem to cover the main fields of actions.

Q10. (b) What priority should be afforded to each action? Why?

Priority should be given to developing an Exposure Draft of the Framework, then on consultation regarding the ongoing governance of Integrated Reporting. Working with others on emerging measurement and reporting practices is strongly linked to encouraging organizations to adopt and contribute to the evolution of Integrated Reporting. These actions have the same level of priority than exploring opportunities for harmonizing reporting requirements within and across jurisdictions.

Q11. Do you have any other comments that you would like the IIRC to consider?

Additional questions: These are NOT compulsory but will help with analysis if completed

I have provided feedback that reflects:

- ☐ Personal interest
- ☑ Interest of an organization, please provide the name of the organization:
  Natixis Asset Management

Which best describes your involvement with sustainability reporting?
Please tick all that apply.

- ☐ Reporter (prepare a report for my own organization)
- ☐ Consultant (report preparer on behalf of a third party)
- ☐ Assurance provider
- ☑ Report reader (read reports for the purpose of evaluating or analyzing organizations)
- ☐ Other, please specify:

Please indicate how many years of experience you have with sustainability reporting:

- ○ No experience
- ○ Less than 1 year
- ○ 1-5 years
- ◉ More than 5 years

Submit to the IIRC