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.

Dear Ladies and Gentlemen,

We welcomed the publication of the Integrated Reporting Discussion paper and we are pleased to submit our comments in the form below.

Rockefeller & Co., Inc. is a global investment advisory and asset management firm that provides comprehensive wealth and investment management services to institutional investors and ultra high net worth families, trusts and individuals. The firm was an early pioneer in the integration of environmental, social and governance factors into portfolio management and investment decision-making and has an internal team dedicated to these efforts.

Please note that the views expressed herein are those of Rockefeller's Sustainability and Impact Investing team, and of course, comments and observations are subject to change.

We would like to highlight a couple of the points we make in our comments

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?

Yes, we agree that organizations need to be proactive in how they communicate with stakeholders. It is especially important for companies to report in a way that takes into account the context in which they operate. This requires communication of more than just financial information or boiler plate risk management that does not give insight on how companies manage these risks and prepare for opportunities from the changing environment.

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

We agree that this action should be international in scope as markets now function on a global scale and companies operate in a global environment. However, there are still cultural and regulatory differences that make adoption of global initiatives a challenge and we recommend that these be taken into greater account in the next phase of this initiative in order to minimize regional push back.

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?

We do agree with some of the elements of the definition, especially the concept of "context" and "connectivity." We believe that these are the key concepts that have been missing from the current reporting regime and will be the major value added that will give this initiative momentum. Although we agree with the goal of "providing a clear and concise representation of how an organization creates value, now and in the future," we believe that this is a challenge that will take some time to achieve.

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?

Yes, we do support the development of an International Integrated Reporting Framework. We do expect, however, that this will be very challenging work and believe that the task needs to be staged so that the theoretical framework does not run ahead of the ability of the target organizations to participate in a meaningful way.

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?

Yes, we believe that it is wise to start with larger companies as they have the lead in the preparation and publication of both comprehensive financial reports and sustainability reports. We also agree that it is wise to focus on the needs of investors of those companies because the goal of integrated reports is to include in the financial reports information about environmental, social and governance issues which have been traditionally the purview of other stakeholders. Although all stakeholders need to understand integrated information about an organization, including how it sustains itself financially, starting with shareholders should create a good springboard for communicating integrated information to other stakeholders.

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?

Overall yes, we do agree that all types of organizations need to integrate and understand their financial sustainability within the context in which they operate and that an emphasis on transparency is beneficial no matter what sector an organization operates.

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?

Absolutely. An organization's business model is crucial to evaluating the risks and opportunities to which it is subject. As a result, it is appropriate as a central theme for the direction of reporting. We have more questions with the concept of "value creation over the short, medium and long term." As described in the discussion paper, this theme is not very clear. Although theoretically it should be a central theme of reporting, it is probably more of a "show don't tell" issue, where the reporting of specific processes and connections would lead to insights into how a company operates and how it creates value. In that context, we would agree that it should be deemed as a central theme.

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

We have a mixed reaction to the concept of multiple capital. We find it brilliant from a theoretical point of view and could envision very interesting discussions about how it applies to some companies as it would describe externalities and how companies relate to the wider world. It appeals to the philosophical side of us. However, we do not believe that it maps to how companies see themselves currently, gather information about their operations or to how investment analysts model companies or consider them as potential investments. From a practical point of view we do not find them helpful, but we would not abandon them. We would instead consider it aspirational and evaluate how it can be "deconstructed" in order to be

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?

We again have a mixed reaction to the guiding principles. At a very high level they do provide a sound foundation. At the detail level, however, certain elements are already required by some jurisdictions, and are already routinely disclosed by many companies. Other elements do not map well to how organizations currently gather data and therefore do not provide a path to implementation. We find this true with at least three of the principles. For example, the first segment of Principle One “Strategic Focus” is already routinely adhered to by many large companies, but the second element "Clearly articulates how the organization uses resources and relationships" requires a very high degree of innovation on the part of most organizations

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?

Overall the content elements provide a good foundation for preparing an integrated report. Most of them are useful, but some could prove challenging. We find this section much more practical and achievable in the short term than the previous sections.

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?

On the whole we do agree that Integrated Reporting will be beneficial to investors. We have been ardent supporters of this initiative.

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

We do believe that it will require changes in the tool kit that analysts use and will require "cross training" at investment firms. We are hopeful, however, that it will prove beneficial for investors and companies as well as for society.

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?

Yes, we agree that integrated reporting should drive a better understanding by the investment community of social and environmental risks. This in turn should lead to better decision making and therefore should lead to better capital allocation.

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?

We believe that the IIRC has identified the correct next steps for this project, but others should be added. Outreach will of course be key. However, the magnitude of the challenge should not be underestimated. The project will need support from many sources such as standards setters, regulators, international and national professional organizations from accountants to financial analysts to name just a few. It will also need robust involvement from companies and investors. They are not well represented on the current governing bodies and that is already reflected in some of the shortcomings of the discussion paper.

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

We believe that good examples of integrated reporting will be key to the success of the initiative, but that the missing step is to break down into phases how the ultimate goal will be achieved. Few organizations, even those with the most advanced reporting protocols come close to the ambitious agenda set out in the discussion paper. We would recommend, a less ambitious time-line even for the framework and a phased in approach to the pilot programs so that real learnings can be gathered, challenges identified and path can be drawn to the ultimate target. We fear that given the magnitude of the task, too ambitious a time-line and the lack of a phased in approach can impact the long-term success of this initiative.

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

We have no further comments at this time.

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:
  Rockefeller & Co., Inc. Sustainability and Impact Investing Team

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