

ANALYSIS OF FRAMEWORK

CHAPTER 5: PREPARATION AND PRESENTATION – CREDITABILITY (Section 5E)

Question 19 and 20: The Framework provides reporting criteria against which organizations and assurance providers assess a report's adherence (paragraph 5.21)

19. If assurance is to be obtained, should it cover the integrated report as a whole, or specific aspects of the report? Why?

20. Please provide any other comments you have about Section 5E, in particular whether the Framework provides suitable criteria for assurance".

NOTE: This objective analysis includes only the most prevalent, significant or controversial issues as far as they relate directly to the content of the Consultation Draft of the International <IR> Framework¹, for the attention of the Working Group and therefore not all matters raised in submissions are referenced in it.

Drafting this analysis involved considerable judgment in deciding how to categorise comments into issues/themes and how to summarise the underlying positions. Statistics have been included to provide a snapshot and starting point for analysis. Although the statistics indicate the prevalence of different views, due consideration will be given to the substance of all positions expressed.

In total the IIRC received 359 submissions to the Consultation Draft. 352 are included in this analysis. The remaining 7 submissions (of which 6 were late and one was in too complex for collation) are being reviewed separately.

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A – OVERVIEW

A1 Of the 352 respondents to the Consultation Draft, 259 answered Question 19, 62 answered the specific question contained in Question 20 on the suitability of criteria for assurance, and 175 responded to Question 20 by providing further comments on credibility (either directly in response to Question 20 or indirectly in response to Question 19). Table 1 summarises the number and proportion of respondents who responded to Question 19. Seventy eight (30.1% of respondents to Question 19) agreed that the whole report should be assured, 75 (29.0%) agreed with minor qualification that the whole report should be assured, 55 (21.2%) agreed that specific aspects should be assured, 16 (6.2%) disagreed/provided a major qualification that assurance should not be obtained, while 35 (13.5%) were unsure. Ninety three respondents (26.4% of total respondents) did not respond to Question 19. Table 2 summarises the responses to Question 20 on the specific question asked on the suitability of criteria for assurance. Of the 62 respondents to this specific question, 7 agreed (11.3%), 6 agreed with minor qualification (9.7%), 18 disagreed/provided a major qualification (29.0%), while 31 were unsure (50%). Thus only 17.6% responded while 290 (82.4%) did not respond to this specific question contained in Question 20. Appendix A then summarises the themes canvassed discursively by each of the 259 respondents to Question 19, noting

¹ <http://www.theiirc.org/consultationdraft2013/>.

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that the total number adds to more than 259 as multiple themes (in total 321) were identified in many responses. Appendix B presents a similar summary of the 364 themes identified by the 62 respondents to the specific Question 20 issue of suitable criteria for assurance, and the 175 respondents to Question 20 that provided other comments on Section 5E of the Framework.

Table 1: Levels of Agreement with Question 19: Whole report versus specific aspects assurance²

<i>QUESTION 19</i>	Report preparers	Providers of financial capital/analysts	Policy/Reg/ Std-setter	Accounting/ assurance	Consultants	Others	Total
FULLY AGREE THAT THE WHOLE REPORT SHOULD BE ASSURED	28 (35.4%)	5 (14.7%)	4 (30.8%)	15 (30.0%)	9 (30.0%)	17 (32.1%)	78 (30.1%)
AGREE WITH MINOR QUALIFICATION THAT WHOLE REPORT SHOULD BE ASSURED	21 (26.6%)	18 (52.9%)	4 (30.8%)	16 (32.0%)	4 (13.3%)	12 (22.6%)	75 (29.0%)
AGREE THAT SPECIFIC ASPECTS SHOULD BE ASSURED	18 (22.8%)	7 (20.6%)	1 (7.7%)	7 (14.0%)	11 (36.7%)	11 (20.8%)	55 (21.2%)
DISAGREE: ASSURANCE SHOULD NOT BE OBTAINED	3 (3.8%)	3 (8.8%)	1 (7.7%)	2 (4.0%)	0 (0.0%)	7 (13.2%)	16 (6.2%)
UNSURE OPINION	9 (11.4%)	1 (2.9%)	3 (23.1%)	10 (20.0%)	6 (20.0%)	6 (11.3%)	35 (13.5%)
TOTAL NUMBER OF RESPONDENTS to Q19	79 (100%)	34 (100%)	13 (100%)	50 (100%)	30 (100%)	53 (100%)	259 (100%)
NO RESPONSE	30 (27.5%)	5 (12.8%)	6 (31.6%)	5 (9.1%)	12 (28.6%)	35 (39.8%)	93 (26.4%)
TOTAL OVERALL NUMBER OF RESPONDENTS	109	39	19	55	42	88	352 (100%)

Table 2: Levels of Agreement with Question 20: Suitable criteria for assurance

<i>QUESTION 20</i>	Report preparers	Providers of financial capital/analysts	Policy/Reg/ Std-setter	Accounting / assurance	Consultants	Others	Total
FULLY AGREE	0 (0%)	0 (0%)	0 (0%)	5 (15.6%)	1 (20.0%)	1 (9.1%)	7 (11.3%)
AGREE WITH MINOR QUALIFICATION	1 (11.1%)	1 (100%)	0 (0%)	3 (9.4%)	1 (20.0%)	0 (0%)	6 (9.7%)
DISAGREE/ MAJOR QUALIFICATION	2 (22.2%)	0 (0%)	1 (25.0%)	10 (31.3%)	1 (20.0%)	4 (36.4%)	18 (29.0%)
UNSURE OPINION	6 (66.7%)	0 (0%)	3 (75.0%)	14 (43.8%)	2 (40.0%)	6 (54.5%)	31 (50.0%)
TOTAL NUMBER OF RESPONDENTS to Q20	9 (100%)	1 (100%)	4 (100%)	32 (100%)	5 (100%)	11 (100%)	62 (100%)
NO RESPONSE	100 (91.7%)	38 (97.4%)	15 (78.9%)	23 (41.8%)	37 (88.1%)	77 (87.5%)	290 (82.4%)
TOTAL OVERALL NUMBER OF RESPONDENTS	109	39	19	55	42	88	352 (100%)

A2 Overall, 80.3% of respondents to Question 19 agreed that assurance of some form (either whole report or specific aspects) should be obtained for integrated reports. Between the two options, whole-report assurance was fully

² The percentages in response categories provided in this table are in relation to the overall number of respondents in that respondent category, with the exception of the no response category, which is calculated as a percentage of the total number of respondents to the CD in this category (259 responded to Question 19 and 62 responded to Question 20). The percentages reported in the rest of this report relate to the number of respondents that answered each question, rather than the overall number of respondents to the Consultation Draft.

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supported by 78 respondents (30.1% of respondents to Question 19) and supported with qualification by another 75 (29%). By contrast, 55 (21.2%) of respondents were in favour of assuring specific aspects of the report (see discussion below). In particular, the main reasons provided for benefits of whole report assurance were overall credibility and connectivity. Among the responses that agreed with qualification to whole report assurance, it was suggested that the whole-report scope would be the ultimate goal of <IR> assurance, but there were concerns over the feasibility of this approach in the short term due to underdeveloped systems, assurance methods and skills, (in particular for assuring non-financial data), as well as the auditability of some <IR> concepts such as forward-looking information and some of the capitals. This subset of respondents therefore suggested several short-term solutions such as, in the initial stages of <IR>, having assurance engagements over specific aspects of the Integrated Report, aspects of the Integrated Report being assured by different assurance providers to the greatest extent possible, or integrated assurance being a consistency check of Integrated Report content with other published information. The following quote of a respondent from Africa reflects this point:

"I believe it should be a combination of both approaches. There could be a need for specialist assurers being utilised in various aspects of the report however one general professional practitioner could take overall ownership of the completed report".³

- A3 Among the 55 (21.2%) responses which supported specific aspects assurance (and in this sense the time frame was different, there was no suggestion in the responses that the overall goal should be to assure the entire report), it was indicated that assurance should not cover the whole report, even in the future, and assurance over specific aspects was the most appropriate and practical choice.
- A4 Finally, there were 16 (6.2%) respondents to Question 19 who deemed <IR> assurance as unnecessary and burdensome because there were more cost effective ways to improve credibility, and 35 (14%) were classed as unsure, primarily because they suggested that the assurance choice depended on the circumstances of individual organizations, and/or may need more guidance, time and experience with <IR> to respond.
- A5 In relation to Question 20, the decision was made to analyse the responses into 2 parts. Part 1 relates to the specific question of whether the Framework provides suitable criteria for assurance (Key theme 2 in this paper), while Part 2 relates to any other comments on credibility (Key theme 3 in this paper). Out of 352 responses, we are able to identify an answer to Part 1 from 62 (17.6%) of respondents. Among these 62 responses, 18 (29.0%) disagreed that the Framework provides suitable criteria, while 31 (50%) were unsure. Only 7 (11.3%) of respondents fully agreed and 6 (9.7%) partially agreed that the Framework provides suitable criteria, which signals significant concern, from those responding, with regards the Framework currently providing suitable criteria.
- A6 The discussion that follows will provide further detail about the most salient themes raised by respondents in relation to questions 19 and 20. Although the responses of different categories of respondents are reflected in summary Tables 1, 2, 3 and 4, they will only be referred to where there are noticeable differences in responses by category.

³ Submission 140; ETS Management Services.

B – FIRST KEY THEME: ASSURANCE ON WHOLE REPORT VERSUS SPECIFIC ASPECTS

- B1 When looking at specific groups of respondents, of the 109 report preparers, 79 (72.5%) responded to this question, and 28 (35.4%) of these respondents fully agreed that assurance on the whole report should be assured, mainly for two reasons: (1) <IR> purpose is one connected report, so <IR> assurance should be on one whole report too (mentioned 14 times, refer Appendix A), and (2) Credibility is greatly enhanced by assurance covering all aspects of the reports (mentioned 14 times). Another 21 (26.6%) thought whole report assurance was essential, but specific aspects assurance was the more practical choice in the short term given the deficiencies in current information systems (mentioned 8 times, refer Appendix A) and the view that separate assurance engagements could be carried out on different aspects and then combined together (mentioned 8 times). Moreover, it was also frequently stressed by report preparers (13 times) that the decision to assure and which aspects to assure should depend on the needs of organizations and their stakeholders.
- B2 For the users of <IR> reports -- providers of financial capitals and analysts – 34 (87.2%, Refer Table 1) responded to this question. Of these respondents, 5 (14.7%) agreed that assurance on the whole report should be obtained, but 18 (52.9%) were concerned that this might not be feasible at the moment. Specific aspects assurance was frequently nominated as an intermediate step to achieve the longer term goal of assurance on the whole report, given the deficiencies in current information systems (mentioned 8 times, Refer Appendix A), with a further 7 mentions that it could serve as a consistency check of the Integrated report's content with other published information.
- B3 For the accounting and assurance providers category of respondents, 50 (90.9%) responded to this question. Fifteen of these respondents (30%) thought that whole-report assurance was the way to go, and another 16 (32%) thought this was the appropriate action in the long run, as systems and standards became more well-developed (mentioned 10 times Refer Appendix A). Thirteen of these respondents who thought assurance should be on the whole report, with qualification, also raised some concerns about the auditability of some areas or information in the Integrated Report. Similarly, the policy makers and regulators remained positive for whole-report assurance, as out of the 13 (68.4%) of total policy makers and regulators that answered this question, 4 (30.8%) expressed preference for assurance over the whole report, while a further 4 (30.8%) agreed with minor qualification that the whole report should be assured.
- B3 From Appendix A, for all groups of respondents, connectivity, (mentioned 41 times, as outlined in Appendix A), and to improve credibility, (mentioned 28 times), were the most commonly mentioned reasons as to why assurance should be on the whole report. The concern that information systems are currently deficient for whole report assurance was the most common reason for agreeing but qualifying that the whole report should be assured (35 times). Other common reasons were concerns expressed about currently being able to assure some areas or information (27 times), while the combined approach with separate assurance providers for different aspects was the third most common reason for qualification (18 times).
- B4 For the responses which supported specific aspects assurance over whole report assurance, unlikely feasibility of whole-report assurance was the main justification (mentioned 20 times), with specification of areas that require assurance (18 times) and areas that do not or are really difficult to assure (11 times). Noticeably, financial and quantitative information was most frequently chosen as in need of assurance (12 of the 18 times), and forward-looking information was mostly chosen as difficult to assure (8 times).
- B5 For the responses that disagreed with the need for assurance of the Integrated Report, the most common reason was that <IR> assurance could be duplicative with the existing financial audits and non-financial assurance and therefore presented more burdens for reporting entities (9 times). For the unsure opinions, the vast majority suggested that assurance choice should depend on the entities and their stakeholders' need rather than a requirement from the Framework (25 times).
- B6 In summary, the report preparers, target users, standard setters and accounting and auditing profession who responded to this question were in support of whole-report assurance, although many identified difficulties in currently undertaking such engagements.

C – SECOND KEY THEME: SUITABLE CRITERIA OF THE FRAMEWORK

- C1 As outlined earlier and contained in Table 2, 62 (17.6% of total respondents) answered the specific question contained in Question 20 on the suitability of criteria for assurance. The majority of the respondents to this question were from the assurance/accounting profession and policy makers as 32 (58.2%) of the assurance providers and 4 (21.1%) of policy makers provided responses on whether the criteria were suitable for assurance. Only 9 (8.3%) of report preparers, 1 (2.6%) of providers of financial capital/analysts, 5 (11.9%) of consultants and 11 (12.5%) of "others" responded to this issue. Responses and respondent categories to this answer could have been compounded by the fact that the question asked was whether "*the Framework provides suitable criteria for assurance*", rather than whether "*the Framework provides suitable criteria for preparing an Integrated Report*".
- C2 As specified in the question, assurance providers were the expected respondents. Out of the 32 assurance providers and accounting professional bodies that responded, 10 (31.3%) indicated that the Framework did not provide suitable criteria for assurance engagements. Another 14 (43.8%) were unsure about the suitability, and indicated that the Framework could be clearer and more developed through time (mentioned 12 times, refer Appendix B, Question 20, Part 1)). Five (15.6%) of the respondents from this demographic fully agreed that the criteria are suitable, while a further 3 (9.4%) agreed with minor qualification.
- C3 Seven (11.3%) of the 62 respondents fully agreed that the criteria were suitable. Of the 6 responses with partial agreement, it was suggested that some areas and concepts of <IR> were not yet suitable for assurance.
- C4 Of the 14 accounting/assurance respondents that were unsure, 12 mentioned that more work needs to be done to refine the criteria. This was also mentioned 6 times by the report preparers and 26 times in total. This suggests that the Framework may be suitable over time, but further work should be done. A typical example from Western Europe is as follows⁴:
 "Integrated Reporting is in an early phase, and it might be too early to determine whether the Framework provides criteria for an Integrated Report that is suitable in an assurance engagement. In the IAASB's framework for assurance engagements, suitable criteria shall exhibit five different characteristics. (...) believes at this early stage, that especially the characteristic of Completeness needs further deliberation".
- C5 Of the responses which disagreed that the criteria were suitable, the most common reason provided was that the Framework was currently too vague and conceptual (mentioned 10 times). The following quotes illustrate this opinion:
 "the Guiding Principles in the Framework are quite broad, and therefore do not have the characteristics of suitable criteria on which an assurance service, performed in accordance with standards for such engagements, would need to be based".⁵
 "The current format of the Draft Framework seems less practical and more conceptual and high level, which would make it difficult to provide assurance on <IR>. The Draft Framework thus does not contain suitable criteria for an assurance engagement, nor for preparers, at this point".⁶
 "The Framework currently is too vague to provide a basis for assurance and to enable readers to derive the necessary degree of comfort that the information presented is fair and balanced".⁷

⁴ Submission 062 - Swedish Enterprise Accounting Group

⁵ Submission 244 - CPA Canada

⁶ Submission 301 - Federation of European Accountants

⁷ Submission 154 - MAZARS

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- C6 Some other responses (4 in total) suggested that the IIRC refer to other framework for suitable criteria: IFRS, GRI and AICPA's Information Integrity Principles and Criteria.
- "we do not believe that the Framework provides sufficient detail in itself to be used as suitable criteria for an assurance engagement [...] we suggest that the IR Framework remains a framework and that assurance is provided on the information in the IR (or in other communications referred to in the IR) based on the criteria in internationally recognized standards and guidelines (such as IFRS or GRI)"
- "<IR> Framework does not in and of itself serve as suitable criteria [...] other reporting frameworks might be referenced as criteria, and the Information Integrity Principles and Criteria currently being developed by the AICPA"
- C7 Another category for disagreement (mentioned 2 times) was that some <IR> concepts and information were not verifiable e.g. subjective judgments, and the Framework did not sufficiently address this verification issue, as the following responses pointed out:
- "there are great difficulties in providing independent verification of the contents of an IR given that the information provided is largely subjective and unquantifiable [...] we do not consider it is realistic to be able to provide criteria as the basis of an assurance engagement"⁸
- "Some aspects of the Report will be based on the perceptions of the management and will be subjective. In the absence of established models, those might not be verifiable, hence auditable. Therefore, it can be said that the Framework doesn't provide suitable criteria for assurance engagement for the complete Report"⁹
- C8 The final reason was that the application of Framework's principles to individual organizations required subjective judgments and would not be consistent across companies (mentioned 2 times), which posed more difficulty for the assurance providers to achieve comparability across engagements. The following quotes illustrate this point:
- "On a standalone basis the framework is not considered suitable criteria. As the application of the principles based approach underpinning the framework necessarily requires judgements and interpretation that are specific to each company, disclosure of how it has been applied is required in order for it be considered suitable criteria". [A wording change was suggested from this response as well: "'The Framework is not, in itself, suitable as criteria for the purposes of independent external assurance. The application of the Framework requires further explanation, either in application guidance or by way of some form of note disclosure, as to how it has been applied in order to be considered suitable criteria."]¹⁰
- "...The majority of the constituents felt that the Consultation Draft does not provide suitable criteria for an assurance engagement that will be consistent across organisations. This is a further area where the constituents felt more explanatory material could be developed".¹¹

⁸ Submission 227 - Association of Accounting Technicians

⁹ Submission 081 - The Indian Institute of Corporate Affairs

¹⁰ Submission 155 - PwC International Limited

¹¹ Submission 205 - SAICA

D – THIRD KEY THEME: OTHER COMMENTS ON CREDIBILITY

Out of 352 responses, 175 provided other comments on credibility apart from the issue of suitable criteria. These are reported in Appendix B; Question 20- Part B. In total, 364 themes were identified by the 175 respondents. While these comments were diverse in terms of scope and issues, only the most relevant themes to assurance and credibility issues are to be discussed as below.

D1 – SUB THEME 1: WHICH AREAS NEED TO BE ASSURED (THEME 1 IN APPENDIX B: QUESTION 20 - PART 2)

D1-1 In general, although it is pointed out in paragraph 5.21 that the assurance providers are to assess the report's adherence to the Framework, this was mentioned only 8 times. A number of responses could be seen as assuring on adherence to specific aspects of the Framework, the areas respondents mentioned most often were materiality determination, accuracy of content and KPIs, and reporting processes (mentioned 14, 20, and 22 times respectively).

D1-2 The report preparers advocated strongly for widening the scope of assurance, as in 10 instances they mentioned that in order to improve the credibility of <IR>, assurance providers should go beyond the report's adherence to Framework's principles and check the accuracy of its content. Moreover, in six instances they recognized that it was necessary yet difficult to assure forward-looking statements, but assessing their underlying assumptions could be a pathway. A quote of a report preparer from Asia illustrates this¹²:

"Assurance should be focused on the accuracy of the information in the report and not on assurance that the framework requirements have been met. Assurance over the content should be provided for the whole report. Future looking targets and forward looking information is likely to be un-assured but the assumptions made by management should be assured for reasonableness..."

D2 – SUB THEME 2: ALTERNATIVE STRATEGIES AND MECHANISM TO ENHANCE CREDIBILITY (THEME 2 IN APPENDIX B QUESTION 20 - PART 2)

D2-1 A number of respondents supported the view in paragraph 5.19 and 5.20 about the role of those charged with governance, internal controls and internal audits as mechanisms to ensure the reliability of information reported in the integrated report (mentioned 15, 18 and 7 times respectively). The importance of these mechanisms is illustrated by the following extract from a consultant from North America¹³:

"Users are less likely to rely on a report if it has not been subject to assurance. As noted elsewhere, assurance is a "fourth line of defense", building upon robust systems and controls for operations, management control and oversight, and internal audit"

D2-2 Noticeably, stakeholder engagement was also frequently recognized as a mechanism whereby the organizations engaged their stakeholders in deciding and checking on the information to be included in the reports for materiality and accuracy (mentioned 13 times). Overall, report preparers were keener on stakeholder engagement and internal controls (mentioned 5 and 4 times), while target users and auditing profession were more skewed towards those charged with governance' sign-off (4 times each).

D3 – SUB THEME 3: <IR> ASSURANCE STANDARDS SETTING ISSUES (THEMES 3, 4 AND 7 IN APPENDIX B QUESTION 20 - PART 2)

D3-1 Theme 3: It was mentioned in total 14 times that new standards should be developed for <IR> assurance, given the challenges in assessing certain types of information using the current assurance standards and methodologies that have not been adapted to facilitate <IR>. Common areas that needed separate standards and guidelines include non-financial capitals (mentioned 6 times), information linked with or

¹² Submission 153 - Confederation on Indian Industry - Centre of Excellence for Sustainable Development

¹³ Submission 130 - Douglas Hileman Consulting LLC

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relied on from other reports (4 times), forward-looking information and subjective judgements (2 times each).

D3-2 Theme 4: Current assurance standards were also recommended as the appropriate reference point for <IR> assurance. The most commonly cited was ISAE 3000 on non-financial information assurance (12 times), followed by ISA 720 in relation to consistency checking for other information (6 times).

D3-3 Theme 7: In regards of the prescriptiveness of <IR> assurance, it was stressed 25 times that assurance should not be required by the Framework compared to 4 times that assurance was suggested to be prescribed.

D4 – SUB THEME 4: THE CONTENT, FORMAT AND ASSURANCE LEVELS OF <IR> ASSURANCE REPORT (THEMES 8 AND 9 IN APPENDIX B, QUESTION 20 - PART 2)

D4-1 Theme 8: Thoughtful considerations were raised on what the future <IR> assurance report should look like. Especially, strong emphasis has been placed on the clarity: the report should clearly identify what has been assured and has not, as well as the different scope and assurance levels for each area being covered (mentioned 32 times). This emphasis was particularly from report preparers, target users and assurance providers (14, 5 and 9 times respectively).

D4-2 Theme 9: With regards to assurance levels, on 11 occasions, it was suggested that there can be differences in the levels of assurance within an integrated report, the most common example offered being that non-financial information might be subject to a different level of assurance (most likely lower/limited) from financial information (most likely reasonable). Balanced and reasonable assurance was on 4 occasions suggested as a midway between these two levels, as explained by the following policy maker from Oceania:

“There is already some confusion regarding the level of assurance provided on financial reporting and a much greater potential exists to confuse report users in relation to assurance over an integrated report. Internationally in a paper produced by the Institute of Chartered Accountants Scotland (ICAS), Balanced and Reasonable a discussion paper on the provision of positive assurance on management commentary, there has been some discussion on the concept of “balanced and reasonable assurance” being provided on the management or narrative commentary in an annual and/or integrated report. Balanced and reasonable is described as a medium level of assurance, somewhere between an audit and a review”.

E– CONCLUSION

E1 In conclusion, of the 259 responses to Question 19, 59.1% supported whole-report assurance in preference to assurance of specific aspects of the Integrated Report 21.2%, 6.2% disagreed that assurance should be obtained, and 13.5% unsure. Many suggested that whole report assurance should be the ultimate goal to achieve integrated reports' credibility. Of 62 responses to Question 20: Suitable criteria for assurance, 50% were unsure and needed more time to decide whether the Framework provided suitable criteria, which signals the need for more refinement and clarification in the Framework in terms of suitability of criteria for assurance. Of 175 responses to Question 20: Other comments, it was suggested that <IR> assurance should not be limited to the report's adherence to the Framework, but extended to the accuracy of content and robustness of reporting processes. Clarity of assurance scope and levels emerged as another significant theme as the whole report assurance and combined approach with specific aspects assurance was advocated.

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Appendix A: Themes Identified in Responses to Question 19

<i>QUESTION 19¹⁴ Themes</i>	Report preparers	Providers of financial capital/analysts	Policy/Reg/ Std-setter	Accounting/ assurance	Consultants	Others	Total
1) Assurance should be on whole report:							
a) Because connectivity is IR purpose	14	3	2	7	5	10	41
b) To reduce users' confusion	2	0	1	4	1	2	10
c) Demand from users	1	0	1	2	1	1	6
d) To improve credibility	14	2	1	4	3	4	28
e) Can be facilitated by multi-disciplinary team	0	0	0	1	0	2	3
f) Must have clarity in assurance scope, level and timing	1	0	0	1	1	1	4
1) Assurance should be on whole report	32	5	5	19	11	20	92
	(31.06%)	(13.15%)	(33.33%)	(27.53%)	31.4%	(32.8%)	(28.66%)
2) Assurance should be on whole report, with qualification:							
a) This is the long-term goal due to deficiencies in current info systems	8	8	3	10	4	2	35
b) Can be combined with specific aspects assurance by different assurance providers, and one general auditor for the whole report	8	2	1	2	2	3	18
c) There can be challenges in the auditability of some areas/information	7	1	1	13	0	5	27
d) There can be a consistency check of the report's content with other published information as in ISA 720	0	7	0	0	0	1	8
2) Assurance should be on whole report, with qualification, total:	23	18	5	25	6	11	88
	(22.33%)	(47.37%)	(33.33%)	(36.23%)	(17.14%)	(18%)	(27.41%)
3) Agree that specific aspects should be assured:							
a) Because whole-report assurance is not feasible	11	1	1	1	4	2	20
b) Because only material issues need assurance	1	1	0	2	2	3	9
c) To limit auditors and directors' liability	0	0	0	0	0	0	0
d) To limit cost	5	1	0	0	2	1	9
e) Specification of areas to be assured	0	0	0	0	0	0	0
(i) Quantitative/Financial information	4	3	0	1	4	0	12
(ii) Materiality determination	0	0	0	0	0	2	2
(iii) Internal controls and reporting systems	0	0	0	1	0	1	2
(iv) Information that has not been audited by others	0	0	0	0	0	1	1
(v) GHG	1	0	0	0	0	0	1
f) Specification of areas that are difficult to assure:							
(i) Subjective conclusions and strategies	0	1	0	2	0	2	5
(ii) Forward-looking information	3	2	0	2	0	1	8

¹⁴ There were 259 responses to Question 19, with respondents in total identifying 321 themes. The number of times each theme was reflected in a respondent's comment is summarised in this table, and the percentages reflect the proportion of the 321 themes identified, for each respondent category.

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(iii) Narratives/Qualitative/Non-financial information	2	1	0	0	0	0	3
(iv) Information linked with other reports	0	0	0	0	0	0	0
g) Must have clarity in assurance scope, level and timing	0	0	0	2	0	0	2
3) Agree that specific aspects should be assured, total:	27 (26.2%)	10 (26.3%)	1 (6.67%)	11 (16%)	12 (34.28%)	13 (21.3%)	74 (23.05%)
4) Disagree: there should be no IR assurance							
a) Because there are more effective ways to improve credibility							
(i) Existing financial audits and non-financial assurance	2	3	0	0	0	4	9
(ii) Company's performance speak for itself	0	0	0	0	0	2	2
(iii) Stakeholders' engagement	0	0	0	1	0	0	1
b) Because it is too costly	1	0	0	0	0	2	3
c) Lack of standards leads to lack of comparability among engagements	2	1	1	0	0	0	4
d) Some areas cannot be reliably assured	2	0	0	0	0	3	5
4) Disagree: there should be no IR assurance, total	7 (6.8%)	4 (10.52%)	1 (6.67%)	1 (1.45%)	0 (0.00%)	11 (18%)	24 (7.48%)
5) Unsure opinion							
a) Depend on the definition of whole report assurance	1	0	0	1	2	0	4
b) Depend on the organizations and their stakeholders' needs and cost-benefit analysis	13	1	2	6	2	1	25
c) Does not matter as long as there is clarity	0	0	0	1	1	0	2
d) Need more time/information/guidance to decide	0	0	1	5	1	5	12
5) Unsure opinion, total:	14 (13.6%)	1 (2.63%)	3 (20%)	13 (18.84%)	6 (17.14%)	6 (9.8%)	43 (13.40%)
Total themes identified	103	38	15	69	35	61	321

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Appendix B: Themes Identified in Responses to Question 20

<i>QUESTION 20 – Part 1¹⁵</i> <i>Themes</i>	Report preparers	Providers of financial capital/analysts	Policy/Reg/Std-setter	Accounting/assurance	Consultants	Others	Total
1) The Framework provides suitable criteria for assurance, total:	0 (0.0%)	0 (0.00%)	0 (0.0%)	5 (15.6%)	1 (20.0%)	1 (9.1%)	7 (11.3%)
2)) The Framework provides suitable criteria for assurance, but some areas are not suitable yet, total:	1 (11.1%)	1 (100%)	0 (0.0%)	3 (9.4%)	1 (20.0%)	0 (0.0%)	6 (9.7%)
3) The Framework does not provide suitable criteria:							
a) Too vague, conceptual and broad	2	0	1	5	1	1	10
b) Some information in <IR> e.g. subjective judgment is not verifiable and not suitable to be assured.	0	0	0	1	0	1	2
c) The principles are applied differently across organisations, so it's hard to perform assurance consistently and comparably.	0	0	0	2	0	0	2
d) Refer to other frameworks for more suitable criteria	0	0	0	2	0	2	4
3) The Framework does not provide suitable criteria, total:	2 (22.2%)	0 (0.0%)	1 (25.0%)	10 (31.3%)	1 (20.0%)	4 (36.4%)	18 (29.0%)
4) Unsure opinion							
a) More work needs to be done to refine the criteria	6	0	2	12	1	5	26
b) This is not within IIRC's job and Framework's scope	0	0	0	1	0	0	1
c) Suitable criteria will evolve through practice.	0	0	1	1	1	1	4
4) Unsure opinion, total:	6 (66.7%)	0 (0.0%)	3 (75.0%)	14 (43.8%)	2 (40.0%)	6 (54.5%)	31 (50.0%)
Total themes identified	9	1	4	32	5	11	62

<i>QUESTION 20 – Part 2¹⁶</i> <i>Themes</i>	Report preparers	Providers of financial capital/analysts	Policy/Reg/Std-setter	Accounting/assurance	Consultants	Others	Total
1) Which areas need to be assured?							
a) Materiality determination	5	0	2	2	2	3	14
b) Accuracy of content, metrics and KPIs	10	4	1	1	1	3	20
c) Adherence to report's framework	3	1	1	2	0	1	8
d) Reporting processes	3	2	3	7	1	6	22
e) Internal controls, systems and corporate governance practices	4	1	0	0	1	2	8
f) Narratives, Qualitative, Non-financial information	4	0	1	0	1	0	6
g) Forward-looking information and their assumptions	6	0	1	2	0	1	10
h) Other information linked with other reports	0	0	0	2	0	1	3
1) Which areas need to be assured?, total	35 (28.2%)	8 (18.6%)	9 (25.7%)	16 (19.5%)	6 (28.6%)	17 (28.8%)	91 (25.0%)

¹⁶ There were 175 responses to Question 20 Part 2: Other comments on credibility, with respondents in total identifying 364 themes. The number of times each theme was reflected in a respondent's comment is summarised in this table, and the percentages reflect the proportion of the 364 themes identified, for each respondent category.

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2) Alternative strategies for enhancing credibility:							
a) Management sign-off/disclosures	2	4	1	4	1	3	15
b) Description of Internal controls, information systems and corporate governance practices	5	2	4	1	1	5	18
c) Stakeholders' engagement	4	2	2	1	0	4	13
d) Internal audit	3	1	1	0	2	0	7
e) Company's performance and reputation speak for itself	0	0	0	2	0	0	2
2) Alternative strategies for enhancing credibility, total:	14 (11.3%)	9 (20.9%)	8 (22.9%)	8 (9.8%)	4 (19.0%)	12 (20.3%)	55 (15.1%)
3) New assurance standards/guidelines/skills should be developed in the areas of:							
a) Linked reports	2	0	0	1	0	1	4
b) Subjective judgments	2	0	0	0	0	0	2
c) Forward-looking information	1	0	1	0	0	0	2
d) Non-financial data and capitals' measurement	3	0	1	2	0	0	6
3) New assurance standards/guidelines/skills should be developed in the areas, total:	8 (6.5%)	0 (0.0%)	2 (5.7%)	3 (3.7%)	0 (0.0%)	1 (1.7%)	14 (3.9%)
4) Existing assurance standards that IIRC should refer to:							
a) ISAE 3000	0	1	1	4	2	4	12
b) AA1000	0	0	0	1	1	1	3
c) ISA 720	0	3	0	0	0	3	6
d) Others: ISO 9000, NIVRA, SAI, GBS	0	1	0	1	0	2	4
4) Existing assurance standards that IIRC should refer to, total:	0 (0.0%)	5 (11.6%)	1 (2.9%)	6 (7.3%)	3 (14.3%)	10 (17.0%)	25 (6.9%)
5) Who should be <IR> assurance providers?							
a) Multi experts	4	1	3	7	1	4	20
b) Key stakeholder	2	0	0	0	0	0	2
c) Professional external auditors	4	0	0	2	0	1	7
d) Internal auditors	1	0	1	1	0	0	3
5) Who should be <IR> assurance providers?, total:	11 (8.9%)	1 (2.33%)	4 (11.4%)	10 (12.2%)	1 (4.8%)	5 (8.5%)	32 (8.8%)
6) Priority of IIRC:							
a) Develop reporting guidelines, not assurance	9	2	3	3	0	3	20
b) Develop assurance guidelines/processes/protocols	3	0	1	2	1	0	7
c) Liaise with other organizations to develop assurance	7	3	0	9	0	0	19
6) Priority of IIRC, total	19 (15.3%)	5 (11.6%)	4 (11.4%)	14 (17%)	1 (4.8%)	3 (5.1%)	46 (12.6%)
7) The prescriptiveness of IR assurance							
a) Assurance should be required in the Framework	2	0	0	0	1	1	4
b) Assurance should not be required in the Framework	13	3	2	1	2	4	25
c) Assurance should be required for only high-impact businesses	0	0	0	1	0	0	1
7) The prescriptiveness of IR assurance, total:	15 (12.1%)	3 (7.0%)	2 (5.7%)	2 (2.4%)	3 (14.3%)	5 (8.5%)	30 (8.2%)

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8) The content and format of future IR assurance report							
a) Be tailored and give specific recommendations to companies	0	1	0	1	1	0	3
b) Need clarity in what has been assured and has not, assurance scope, levels and reliance on other reports	14	5	0	9	2	2	32
c) Disclose assurance providers' expertise, and work and procedures performed	2	2	0	0	0	1	5
8) The content and format of future IR assurance report, total:	16 (12.9%)	8 (18.6%)	0 (0.0%)	10 (12.2%)	3 (14.3%)	3 (5.1%)	40 (11.0%)
9) IR assurance levels:							
a) Can be different for financial/quantitative information and non-financial/qualitative information	4	0	2	4	0	1	11
b) Balanced and reasonable assurance level	0	1	1	2	0	0	4
c) Assurance levels should be the same for IR and linked information from other reports	0	0	0	1	0	0	1
9) IR assurance levels, total:	4 (3.2%)	1 (2.3%)	3 (8.6%)	7 (8.5%)	0 (0.0%)	1 (1.7%)	16 (4.4%)
10) Other comments on developing assurance approach:							
a) Consider combined assurance (South Africa)	1	1	1	1	0	1	5
b) Flexibility and principles-based approach is more appropriate than compliance and prescriptive approach	0	1	0	1	0	0	2
c) The most appropriate approach will evolve through best practice, industry norms and local standards	1	1	1	1	0	1	5
d) Assurance should be subject to ISQC 1	0	0	0	3	0	0	3
10) Other comments on developing assurance approach, total:	2 (1.6%)	3 (7.0%)	2 (5.7%)	6 (7.3%)	0 (0.0%)	2 (3.4%)	15 (4.1%)
Total themes identified	124	43	35	82	21	59	364