

**IIRC Council: Meeting of 30 April 2020**

**Time:** 12:00-15:30 BST  
**Venue:** via Zoom  
**Chair:** Peter Bakker, Co-Deputy Chair of the IIRC Council  
**Agenda:** Appendix A  
**Attendance:** Appendix B

**1. Welcome and introduction**

- The Chair welcomed members, alternates and guests as well as those IIRC Board, Governance and Nominations (GAN) Committee and team members that were present. The meeting was called to order.
- The global coronavirus situation continues and it was hoped that Council members and their loved ones were staying safe and well.
- For the first time the meeting is not physical and is being held using Zoom video-conference. As such, it was a shortened Council meeting agenda with only the most significant agenda items included.
- The Chair noted that meeting papers were distributed on 20 April 2020. Additional videos from key market participants were shared on 27 April 2020.
- The Chair commented that it was an important meeting and built on input from the Council at the April and November 2019 Council meetings.
- The purpose of the meeting was to engage the Council to help determine the future direction of IIRC and integrated reporting. A vote on a new Council Chair would take place during agenda item 3 and an advisory poll during agenda item 8.

**2. Minutes of previous meeting and matters arising**

- The draft minutes of the Council meeting held on 7 November 2019 were approved without revision.
- There were no matters arising.

**3. Council Chair appointment update**

- Jane Diplock, IIRC Governance and Nominations Committee Chair introduced the item and noted it would culminate in a decision on the proposed appointment to the position of Council Chair of Conor Kehoe via a vote.
- Conor Kehoe was described as a highly respected business figure and it was noted that he had previously addressed the Council at its meeting of 11 April 2019 where he presented the findings of a McKinsey report on the corporate reporting landscape.
- The IIRC Constitution states that the Chair is appointed by Council members upon the recommendation of the Governance and Nominations (GAN) Committee, itself acting in consultation with the Board and that both bodies recommend Conor being appointed. It was confirmed that both the GAN Committee and Board recommend Conor Kehoe's appointment.
- Katharine Dawson, IIRC Senior Manager, Operations, introduced the voting element of the meeting, confirming that only Council members, their designated Council alternates or their proxies were eligible to vote. A majority was required for the vote to pass. The online vote took place and the result was shared that Conor Kehoe had been voted in as Council Chair.
- The Chair noted that Conor Kehoe would join the meeting for items 6, 7 and 8 as an observer.

**Conclusions/Decisions**

- The Council voted Conor Kehoe in as IIRC Chair of Council with effect from 1 May 2020

**Actions**

- N.A.

**4. Board Chair update**

- Barry Melancon, IIRC Board Chair, provided a verbal update on the recent deliberations of the IIRC Board. A number of focus areas were mentioned including:
  - Considerable work and discussions had taken place on the potential future direction for the IIRC and integrated reporting, which would form the key strategic agenda items of the meeting.
  - The International <IR> Framework 2020 revision process had launched and would shortly move into its 90-day consultation period. More on this topic will be heard in agenda item 6.

- The IIRC's 2019 integrated report has undergone Board approval and is due to be published in w/ c 4 May, months earlier than previous years' reports.
- Working with the GAN Committee on a suitable next Chair of Council.
- The Board had appointed an executive search firm for the CEO position. The IIRC has a very capable interim CEO in Charles Tilley and the Board is very appreciative of Charles's time and effort over the past 11 months, particularly around the work we are doing on the future of the IIRC and business climate. The skills required of a new CEO will be impacted by the future direction of the IIRC. The Council's input will help determine what we need from a new CEO.
- The Board will meet soon after the meeting to discuss Council's feedback from this meeting.

**Conclusions/Decisions**

- N.A.

**Actions**

- The Council will be kept apprised on progress on key initiatives.

**5. CEO briefing 2019**

- Charles Tilley, Interim IIRC CEO, then provided a progress update on key IIRC activities which was summarized as:
  - Focus on the organization's resilience in light of the coronavirus crisis. There is confidence in the short-term financial resilience, with cash reserves into 2021, however there is no room for complacency. The crisis has helped underlined the importance of relationships and connectivity with the external environment.
  - The 2020 <IR> Framework revision is progressing well
  - The IIRC has responded to the recent Accountancy Europe and World Economic Forum papers and have been undertaking extensive consultation with external partners.
  - Progress has been made on the potential convergence agenda, on which Council will be asked to input during the meeting.
- Ian Mackintosh, Chair of the Corporate Reporting Dialogue (CRD) provided an update on the group's activities:
  - The CRD had finalized phase 1 of the Better Alignment Project. They have been liaising with funders on the scope of phase 2 however to date this has not been agreed.
  - It was confirmed the CRD had been working with Impact Management Project (IMP) on potential alignment activities however the CRD has agreed that it is not the right body to move forward a collective view of consolidation for the market, but rather it should be a strong platform to advance discussions and serve as a bridge between organizations.
  - The CRD had made great strides in strengthening and bringing dialogue between standard setters and framework developers. Participants were thanked for their input.

**Conclusions/Decisions**

- N.A.

**Actions**

- The Council will be kept apprised on progress on key initiatives.

**6. 2020 <IR> Framework revision update**

- Erik Breen, Chair of the <IR> Framework Panel introduced the item and, along with Lisa French, IIRC Chief Technical Officer, provided Council with an update on plans and progress on the 2020 <IR> 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 were summarized as:
    - Avoid referencing external standards and initiatives
    - Simplify the statement of responsibility
    - Provide clarity on the business model, providing an example.
- 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:

- Not referencing other standards and frameworks could be seen as a weakness. Not referring to the standards in use by thousands of companies provides little guidance to issuers on how to report and does little to drive convergence. It was noted that the Panel considered this matter at length and, given the number of standards, it was impractical to list them all and there is a risk to missing some off the list.
- Where any stakeholder groups missing from the responses to the focused engagement topic paper? Lisa French, IIRC Chief Technical Officer, confirmed that NGOs and, notably, investors were poorly represented. However it should be noted that the respondents chose their own classification and there were some organizations that the Panel would have classified as investors but they chose not to e.g. investor member groups. It was confirmed that the correct stakeholder groups will need to be addressed for the consultation.
- The commitment of <IR> Framework Panel and the IIRC team was acknowledged and it was confirmed that any recommendations at this stage were provisional.

#### **Conclusions/Decisions**

- N.A.

#### **Actions**

- N.A.

### **7. IIRC and integrated reporting: the next chapter, 'achieving the mission' and determining the future direction of the IIRC**

- The Chair noted that this discussion aimed to set out the four strategic options for the future direction of the IIRC and integrated reporting and would establish the background for breakout discussions and advisory polling during agenda item 8.
- It was confirmed that to set the scene for this critical discussions, six senior figures shared their perspectives on what their industry needs from a reporting system via [videos](#) shared with Council on Monday 27 April, from:
  - Olivier Boutellis-Taft, CEO, Accountancy Europe
  - Kevin Dancey, CEO, International Federation of Accountants
  - Saker Nusseibeh, CEO, Hermes Investment Management
  - Rick Samans, Managing Director, World Economic Forum
  - Alan Stewart, CFO, Tesco
  - Sarah Williamson, CEO, FCLTGlobal
- Charles Tilley noted that the IIRC was celebrating its 10th anniversary this year and that it had come at a time where there's an urgent call to take bold unselfish steps to address the state of the corporate reporting environment. There was a need for a cohesive system - investors are reliant on ESG data, and companies need it for robust quality reporting – therefore the quality of that data is critical.
- The coronavirus crisis is bound to affect business going forward and as such a new normal will emerge.
- A comprehensive reporting system needs structure with principles leading to a comprehensive suite of reporting frameworks and standards, together with relevant regulation and effective assurance.
- In order to deliver this comprehensive system it will require support from bodies such as the G7, the G20 COP26 as well as the alignment of standards and frameworks. This is no small feat.
- However, the need for a better system is urgent. Building on what's already in existence requires all actors in the space working together.
- In order to achieve this system the IIRC does not have to continue in its current state. The four potential options provided in paper 7 are a mix of tangible and conceptual options which are not mutually exclusive, that could help determine how integrated reporting and the IIRC could best contribute to a comprehensive and connected reporting system:
  1. The IIRC continues as an independent, stand-alone organization
  2. The IIRC ceases to be a stand-alone organization
  3. The IIRC formally transitions into the role of Corporate Reporting Foundation
  4. The IIRC merges with other organizations in the corporate reporting system

- Charles continued that Janine Guillot, CEO of SASB and Tim Mohin, CEO of GRI, with support from the Impact Management Project (IMP), are working together on an initiative which could have implications for the IIRC. Both were asked to share details with the Council. [Associated slides were presented.](#)
- Janine Guillot reiterated the messages that Barry Melancon and Charles Tilley had said; that there was tremendous energy and enthusiasm to rationalize corporate reporting to be a cohesive system.
- The organizations sit within a wider corporate reporting system which includes disclosure standards, index rating providers, ESG rating providers, etc but it all rests on a foundation of high quality corporate information. SASB and GRI see integrated reporting as the roof under which traditional financial disclosure standards and ESG standards sit, forming twin pillars.
- Historically, a pain point has been between ESG disclosure standards however Janine and Tim had been working closely to build better cooperation between SASB and GRI.
- Tim Mohin added that SASB and GRI had developed a four point work programme – communication; best practice, including case studies and a mock disclosure; structural connectivity; and measurement - the approaches for the first two had been approved by both GRI and SASB’s Boards.
- The timeframe for addressing the structural connectivity and measurement work plans could take some time. Discussions so far had not had any governance implications for either organization; however they are both committed to moving forward discussions and developing plans.
- Charles concluded stating there is no guarantee this could be delivered however there would be significant disappointment if it was not. The IIRC was positive about progressing discussions with SASB and GRI and will be working with both organizations, and IMP, to urgently develop plans around connectivity, a mock disclosure, and best practice.

## 8. Council discussion on the future direction of the IIRC

- Jonathan Labrey, IIRC Chief Strategy Officer, introduced the breakout sessions that would capture Council’s views on the options laid out, consisting of five virtual breakout groups. The groups would deliberate on the questions provided in paper 7:
  - Have we accurately articulated the **case for reform**? Have we missed anything critical?
  - Have we correctly categorized the **calls for action**? How realistic is it that these calls for action will be endorsed? Will you and your organization get behind them?
  - How do we gain the widest possible **acceptance** in the corporate reporting community and beyond? Will you help to secure government endorsement?
  - What is the best way to gain **legitimacy** for the new system?
  - Does it make sense that the **International <IR> Framework** should be the basis for developing a new globally agreed conceptual framework?
  - Which of the **four options** do you support, and why?
  - Do these options set out a firm basis for the ongoing **funding** of the IIRC?
- Feedback was then provided by each of the five facilitators back to the plenary group. The members of each breakout group can be found in Appendix C.
- Responses from the groups were as follows:
  - Group 1: facilitator Jessica Fries
    - There was a lot of support for the presentation and lots of support that Council could get behind particularly convergence in the sustainability space.
    - There was a question on when was the right timings as there was a sense that there is a lot of momentum.
    - How expectations get managed is important as is that the pace is maintained. It was recognized that some of the work was not easy.
    - The role of the IIRC was providing connectivity between financial and non-financial standards setting worlds.
    - It’s important the IIRC does not lose focus on its purpose and that the Framework continues to exist.
  - Group 2: facilitator Veronica Poole
    - The case for convergence is compelling and the market must be simplified.
    - Must have the same rigor as there is currently for financial information
    - Any solution must be global and build on work of IIRC and other standard setters.
    - The foundation of the house must include assurable, comparable data.
    - Disclosures and metrics are critical.

- Need to make sure what is reported is understood against business strategy.
- The role of conceptual framework should not be discounted.
- Funding will come from where need is greatest.
- Group 3: facilitator Tim Sheehy
  - Most time was spent on questions 1 and 2, particularly on the case for reform.
  - It was agreed that the case had been made and that there was strong consensus.
  - It was felt that the investor community needed to be on board.
  - There was some discussion around the GRI and SASB dialogue. We ought to capitalize on these discussions.
  - How can we get USA to move forward more?
  - We must get organizations like IOSCO on board.
  - Options 3 and 4 received most support.
- Group 4: facilitator Leigh Roberts
  - IIRC is the roof under which ESG standards sit.
  - There was a strong view that the IIRC needs to relook at its vision and mission, and potentially replace them with purpose.
  - The IIRC has not yet fulfilled its original vision and mission; there is still work to do.
  - The IIRC leadership should identify partners first then come back to Council so that they can make an informed decision.
  - There has been an omission of integrated thinking in these discussions.
  - All are working towards the greater good.
- Group 5: facilitator David Pitt-Watson
  - Very strong endorsement on the need to create convergence.
  - Options not mutually exclusive.
  - Can't keep proliferating more frameworks.
  - Option 3 is where the group wanted to get to, but there was a huge number of constituents to get together to achieve this, plus government endorsements and linkages to the SDGs. Can the UN be the umbrella under which we operate? It would likely move from option 1 to 2 and move to 3.
  - Legitimacy needs a principle to work towards. The six capitals work well but others will push back - negotiation will be required.
  - Convergence was supported but we need to acknowledge the current landscape has gaps and they need to be agreed upon and addressed. In addition, corporate reporters need to be part of the journey, not just the standard setters.
- Consolidated notes from the breakout groups are attached as Appendix D.
- Following the feedback, participants were asked to take part in an online advisory poll ranking each of the four potential options, outlined in paper 7.
- Jonathan concluded the discussion noting that, initially, it seems that there is consensus that standards and frameworks can coexist in a cohesive way. Given the implications of the options being discussed, no results were shared or decisions made at the meeting. The IIRC would analyse the results from the advisory poll and would share the polling data in the week following the meeting.
- Charles Tilley added that the next steps would include analysing the argument made on convergence, relooking at the IIRC's vision and mission and focussing on its purpose. The IIRC Board will meet in the coming weeks to deliberate and decide upon the next phase(s) for the IIRC and the strengthening of the integrated thinking and reporting movement. This is expected to be communicated to the IIRC Council in June / July 2020.
- It's hard to know what the 'new normal' will look like at this stage however all heard the time is now and that there is a real urgency to make a change.

## 8. Concluding comments

- The Chair thanked all for their participation in the meeting - Council members, alternates, guests and speakers, members of the IIRC Board, GAN Committee and IIRC team.
- It was confirmed that the next Council meeting was scheduled for 24 November, location TBC although London is the most likely location should travel restrictions be lifted. If there are material developments between now and November, and an interim discussion with Council is required, an additional call or meeting would be set up.

- The Chair hoped everyone stayed safe and well and closed the meeting.

**Meeting closed at 15:10 BST**

## Appendix A: Agenda

Item	Title	Presenter	Paper	Action Required
1	<b>Welcome and introduction</b>	Chair		
2	<b>Minutes of previous meeting and matters arising</b>	Chair	2	For confirmation
3	<b>Council Chair appointment update</b> - Jane Diplock, IIRC Governance and Nominations Committee Chair, provides a briefing on the Chair of Council, discussion and vote	J Diplock	3	For approval
4	<b>Board Chair update</b> - Barry Melancon, IIRC Board Chair, provides a briefing on the deliberations of the IIRC Board	B Melancon	Verbal update	For information
5	<b>CEO briefing</b> - Charles Tilley, IIRC Interim CEO, provides a briefing on status of IIRC operations and activities	C Tilley	5	For information
6	<b>Framework revision update</b> - Erik Breen, Chair, <IR> Framework Panel and Lisa French, IIRC Chief Technical Officer, provide an update on the 2020 Framework revision	L French & E Breen	6	For discussion and input
<b>Comfort break</b>				
7	<b>IIRC and integrated reporting: the next chapter, 'achieving the mission' and determining the future direction of the IIRC</b> - questions for the Council to consider - The IIRC's purpose and achievements to date - Background on the corporate reporting environment - Reflecting on updates from business and investors through videos shared in advance of the meeting - An update from the Corporate Reporting Dialogue	C Tilley & J Labrey	7	For discussion and input
8	<b>Council discussion on the future direction of the IIRC</b> - Led by Charles Tilley and Jonathan Labrey - scene setting and questions for the Council to consider - breakout groups discussions	C Tilley & J Labrey	7 cont.	For discussion and input
<b>Comfort break</b>				
8 cont.	- breakout groups feedback and summary - Advisory polling of Council members on the future direction - next steps			
9	Concluding comments	Chair		
	<b>Close</b>			

**Appendix B: Attendance**
**Present: Members/alternates**

<b>Name</b>		<b>Representing</b>	<b>Notes</b>
Peter	Bakker	IIRC	Deputy Chair of the IIRC Council
John	Stanhope	IIRC	Deputy Chair of the IIRC Council
Jonathan	Bravo	IOSCO	Representing Paul Andrews
Richard	Chambers	The Institute of Internal Auditors	
Mahendra Kumar	Chouhan	Asian Centre For Corporate Governance & Sustainability	
Tim	Christen	AICPA	
Juan	Costa Climent	EY	Representing Council member designate
Susan	Cote-Freeman	Transparency International	
Kevin	Dancey	International Federation of Accountants (IFAC)	
Henry	Daubeney	PWC	Representing Robert Moritz
Jean-Charles	de Lasteyrie	International Federation of Accountants (IFAC)	
Nicholas	Diss	CPA Australia	
Jessica	Fries	The Prince's Accounting for Sustainability Project (A4S)	
Michael	Gebbert	EnBW Energie Baden-Württemberg AG	Representing Thomas Kusterer
Peter	Gleason	Global Network of Director Institutes (GNDI)	
Atul Kumar	Gupta	The Institute Of Chartered Accountants Of India	
Mark	Hucklesby	Grant Thornton	Representing Sue Almond
Francis Obiora	Ike	Globethics.net	
Rodney	Irwin	WBCSD	
Gary	Kabureck	IASB	Representing Hans Hoogervost
Patrick	Kabuya	Africa Integrated Reporting Council	
Mervyn	King	Chair Emeritus	
Frank	Klein	DWS	
Jim	Knafo	Global Accounting Alliance	
Mikkel	Larsen	DBS	Representing Sok Hui Chng
Rosemary	McGuire	CPA Canada	Representing Joy Thomas
Karen	McWilliams	Chartered Accountants Australia and New Zealand	Representing Simon Grant
Tim	Mohin	GRI	
Brad	Monterio	Institute of Management Accountants	
Yoichi	Mori	JICPA	Representing Mashiko Tezuka
Jonathan	Morris	Business for Social Responsibility	Representing Dunstan Allison-Hope
Saker	Nusseibeh	Federated Hermes	
Laura	Palmerio	UN Global Compact	Representing to Lila Karbassi
Sandra	Peters	CFA Institute	
David	Pitt-Watson	UNEP FI	
Veronica	Poole	Deloitte	
Fiona	Reynolds	UN PRI	
Leigh	Roberts	Integrated Reporting Committee of South Africa	
Richard	Samans	CDSB / WEF	
Milton	Segal	South African Institute of Chartered Accountants	Representing Freeman Nomvalo
Tim	Sheehy	The Chartered Governance Institute	
Paul	Simpson	CDP	



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Nigel	Sleigh-Johnson	ICAEW	Representing Michael Izza
Susanne	Stormer	Novo Nordisk	
Mike	Suffield	ACCA	
Takayuki	Sumita	WICI	
Daniel	Tisch	Global Alliance for PR and Comms Mgt	
Mark	Vaessen	KPMG	Representing Bill O'Mara
Sarah	Williamson	FCLTGlobal	

**IR Council Observer**

Pablo	Pérez	Financial Stability Board
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**Present: Ambassadors**
**Name**

Paul	Chan	Malaysian Alliance of Corporate Directors / IIRC Ambassador
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**Present: Guests**
**Name**

Clara	Barby	IMP
Erik	Breen	Chair of the <IR> Framework Panel
Colin	Fleming	Deloitte
Stathis	Gould	International Federation of Accountants
Sarah	Grey	PwC
Janine	Guillot	SASB
Superna	Kholsa	PwC
Vijay	Kumar	The Institute of Chartered Accountants of India
Shari	Littan	IMA
Ian	Mackintosh	Corporate Reporting Dialogue
Mardi	McBrien	CDSB
Loshni	Naidoo	SAICA
Francis	Nicholson	The Institute of Internal Auditors
John	Purcell	CPA Australia
Morgan	Slebos	PRI
Armin	Slotta	Transparency International
Norie	Takahashi	KPMG
Mudit	Vashishtha	ICAI
Tammy	Wyche	The Institute of Internal Auditors

**Present: IIRC Directors**
**Name**

Pru	Bennett	IIRC Director
Michael	Bray	IIRC Director
Louise	Davidson	IIRC Director
Jane	Diplock	Chair of Governance and Nominations Committee
Izumi	Kobayashi	IIRC Director
Barry	Melancon	IIRC Board Chair
David	Nussbaum	IIRC Director
Richard	Sexton	IIRC Director
Charles	Tilley	IIRC Interim CEO

**Present: IIRC Team**
**Name**

Katharine	Dawson	IIRC Team
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Lisa	French	IIRC Team
Manisha	Jheeta	IIRC Team
Jonathan	Labrey	IIRC Team
Juliet	Markham	IIRC Team
Vicky	McArdle	IIRC Team
Alex	Moir	IIRC Team
Jeremy	Osborn	IIRC Team
Liz	Prescott	IIRC Team

### Apologies: Members

#### Members

Dunstan	Allison-Hope	Business for Social Responsibility	Represented by alternate
Sue	Almond	Grant Thornton	Represented by alternate
Paul	Andrews	IOSCO	
Koushik	Chatterjee	Tata Steel	
Sok Hui	Chng	DBS	Represented by alternate
Yogesh Chander	Deveshwar	CII	
Robert	Eccles	Saïd Business School at the University of Oxford	
Michelle	Edkins	BlackRock	
Keith	Farlinger	BDO International	
David	Frick	Nestlé	
Simon	Grant	CAANZ	Represented by alternate
Steve	Gunders	SASB	
Hans	Hoogervorst	IASB	Represented by alternate
Michael	Izza	ICAEW	Represented by alternate
Lila	Karbassi	UN Global Compact	Represented by alternate
Dongsoo	Kim	Korea Productivity Center	
Claudia	Kruse	APG Asset Management	
Thomas	Kusterer	EnBW Energie Baden-Württemberg AG	Represented by alternate
Bernard	Lauwers	The World Bank	
Mindy S.	Lubber	CERES	
Eliane	Lustosa	IBGC	
Anne	Molyneux	ICGN	
Robert	Moritz	PwC	Represented by alternate
Freeman	Nomvalo	SAICA	Represented by alternate
William	O'Mara	KPMG	Represented by alternate
Wellington	Rocha	FIPECAFI	
Mashiko	Tezuka	JICPA	Represented by alternate
Joy	Thomas	CPA Canada	Represented by alternate
James	Zhan	UNCTAD	

**Appendix C: Agenda item 8 breakout groups****Breakout Group 1****Facilitator: Jessica Fries**

Professor Mervyn King  
John Stanhope  
Mardi McBrien  
Gary Kabureck  
Yoichi Mori  
Michael Bray  
David Nussbaum  
Atul Gupta  
Sandy Peters  
Tim Christen

IIRC staff support: Juliet Markham

**Breakout Group 2****Facilitator: Veronica Poole**

Michael Gebbert  
Janine Guillot  
Jonathan Morris  
Pablo Perez  
Francis Nicholson  
Pru Bennett  
Daniel Tisch  
John Purcell  
Nigel Sleigh Johnson  
Richard Samans  
Sarah Grey  
Sarah Williamson

IIRC staff support: Liz Prescott

**Breakout Group 3****Facilitator: Tim Sheehy**

Rosemary McGuire  
Mark Hucklesby  
Patrick Kabuya  
Brad Monterio  
Fiona Reynolds  
Mark Vaessen  
Ian Mackintosh  
Armin Slotta  
Barry Melancon  
Conor Kehoe  
Lisa French  
Morgan Selbos

IIRC staff support: Alex Moir

**Breakout Group 4****Facilitator: Leigh Roberts**

Mahendra Chouhan  
Juan Costa Climent  
Francis Obiora Ike  
Jim Knafo  
Mike Suffield  
Takayuki Sumita  
Stathis Gould  
Tammy Wyche  
Richard Sexton  
Henry Daubeny  
Peter Bakker  
Sahri Littan

IIRC staff support: Jeremy Osborn

**Breakout Group 5****Facilitator: David Pitt-Watson**

Jonathan Bravo  
Frank Klein)  
Jean-Charles de Lasteyrie  
Karen McWilliams  
Milton Segal  
Paul Simpson  
Colin Fleming  
Izumi Kobayashi  
Norie  
Paul Chan  
Rodney Irwin

IIRC staff support: Vicky McArdle

**Appendix D: Consolidated notes from the breakout groups**

- Have we accurately articulated the case for reform? Have we missed anything critical?
  - There is a case for convergence – it is being asked for by many - investors, boards, all stakeholders are asking for it, now is the time to act.
  - Some are unclear about where the GRI/SASB collaboration fits. Need to bring in investors and corporations and others on-board to ensure the solution is what they want and to get buy-in, including from governments, although they will be slow to action.
  - We could account for qualitative information and standardized data too.
  
- Have we correctly categorized the calls for action? How realistic is it that these calls for action will be endorsed? Will you and your organization get behind them?
  - Options not seen as standalone, progression through 1-2-4 could lead to multilateral agencies, competition and regulators participate in option 3.
  - These options (excluding 1) lead to convergence. Option 4 could be the way to lead to option 3 (with funding).
  - Investors need to be consulted.
  - A lot seems to depend on the extent/speed at which IFRS Trustees can/will change to broaden their remit.
  - We do need a consolidated reporting standard these options are in parallel or series, we need issuers, investors, government, reporters, UN to agree.
  
- How do we gain the widest possible acceptance in the corporate reporting community and beyond? Will you help to secure government endorsement?
  - Gain help from other bodies who governments endorse. The corporate reporting community must include those who are actually reporting - governments will want to hear from the preparers of information.
  - We need collaboration – like SDG 17 – to get convergence on ESG disclosures.
  - IASB may be easier to work with than FASB.
  - The market should lead. The IIRC can play a key role in building the system, and can play a key role for the regulators in setting the scene and creating a path for them. Step one could be put the ESG house in order, with step two as wider integration with financials.
  
- What is the best way to gain legitimacy for the new system?
  - All options are particularly helpful in considering what the IIRC does next, but cannot achieve the end goal alone. Could the options be linked to the SDGs?
  - If we are going to create the bridge then we have to do so through the Framework.
  - How do we get US market to same level of thinking as rest of the world? GRI and SASB is the closest link so far.
  - Bodies like TCFD and IOSCO played key role in providing legitimacy and momentum, in addition to having all stakeholder groups behind the initiative. Concern around speed of achieving change.
  
- Does it make sense that the International <IR> Framework should be the basis for developing a new globally agreed conceptual framework?
  - It is inappropriate that the Framework is the basis on which everything else is dependent, what is right for the world not just the organization?
  - Does always need to come back to integrated thinking – the better business practice? <IR> Framework is starting point of being an umbrella framework. Can it serve as all-encompassing conceptual framework e.g. how it deals with impacts? Accountancy Europe paper contemplates a conceptual framework for non-financial reporting (option 4).
  
- Which of the four options do you support, and why?
  - There is too much happening in the market for option 1 but could it be a precursor to option 3 over time?
  - Option 2 will be slow. Should we revisit IIRC's mission and purpose as independent organisation? The IIRC are in a crowded space and are not necessarily the leaders.
  - Option 3 lacks interconnectivity. An investor or corporate body could feed into this. Difficult to achieve funding

- although could be a route to reaching option 4 which would be the end game.
- Option 4 brings together non-financial and financial bound together by principles of integrated reporting as an enabler. An investor/corporate body should feed into this. More achievable than option 3.
  - The four options don't necessarily capture the pathway, but they all agree in the vision. Near term action is essential. A combination of options make sense, however they are hard to assess. Do we need to define ambition for what convergence looks like? What's most needed? Do we aspire to fill it, or do we merge with others to fill the gaps? What will best keep alive the parts of integrated reporting?
- Do these options set out a firm basis for the ongoing funding of the IIRC?
    - Funders will want to see a selfless organization that is committed to tangible benefits for society.
    - Option 3 for purpose of funding is easiest.
    - It is important whatever journey chosen must be objective and not strongly influenced by funders.
    - There is a case for the IIRC to be part of a better funded, global, impact body that can make this globally mandatory.