



<IR> Framework Board

Minutes of 13 July 2021 meeting

Chair	Erik Breen
Members	Nurmazilah Dato' Mahzan, Michael Gebbert, Yoichi Mori, Cora Olsen, Leigh Roberts, Tom Roundell-Greene, Hugh Shields, Jason Voss, Zubair Wadee
Staff	Lisa French, Laura Girella, Liz Prescott, Amy Wilson
Guests	Bryan Esterly (Value Reporting Foundation), Stathis Gould (IFAC)
Apologies	--
Agenda	<ol style="list-style-type: none">1 Agenda: Meeting of 13 July 20212 Minutes of previous meeting (20 April 2021)3 <IR> Framework Board: 2021 and beyond4 Technical Program Update5 Guest: Bryan Esterly, Director of Research – SASB Standards6 Any other business7 Conclusions and next steps

Agenda: Meeting of 13 July 2021

The Chair welcomed Board members to the meeting, including new member Cora Olsen. The final meeting of long-serving member Tom Roundell-Greene was also acknowledged, with the Chair thanking Tom for his valued contributions over the years.

The Chair noted an apology from one Board member who provided comments on the meeting papers in advance. (In fact, the Board member joined the meeting during agenda item 3.)

Finally, the Chair noted the group's name change from <IR> *Framework Panel* to <IR> *Framework Board*.

Minutes of previous meeting (20 April 2021)

The minutes of the 20 April 2021 meeting were previously circulated. The Chair invited related questions, comments and clarifications. With none offered, the minutes were accepted as written.

<IR> Framework Board: 2021 and beyond

In introducing agenda item 3, staff noted the recent IIRC-SASB merger and resulting formation of the Value Reporting Foundation. Staff acknowledged an expected expansion of <IR> Framework Board considerations to reflect:

- Public expectations for future alignment of the International <IR> Framework and SASB Standards
- The anticipated formation of an International Sustainability Standards Board (ISSB) by Nov 2021.

With the above expectations and time frame in mind, Board members were encouraged to consider how to best support the market in its adoption of both the <IR> Framework and SASB Standards. The following three options were offered as a starting point:

- Educate and inform via supplementary guidance outside the <IR> Framework
- Reopen existing instruments and align via due process
- Develop a prototype to inform future alignment/consolidation efforts (in the same way the [Dec 2020 Group of Five prototype](#) provided a blueprint for future work, this option lays out changes the Value Reporting Foundation or others could make in the future).

As a precursor to reviewing the available options, two Board members shared their local market perspectives. In their prepared comments, each member addressed: (1) drivers of <IR> Framework adoption in their region, (2) the current status of integrated reporting and (3) expectations for the continued evolution of integrated reporting.

Following the presentations, the wider group discussed future options with an emphasis on: (1) demonstrating compatibility between the <IR> Framework and SASB Standards, (2) maintaining momentum for integrated reporting by avoiding substantive changes/disruption to the <IR> Framework and (3) meaningfully contributing to future plans of the IFRS Foundation, particularly in the context of the i) International Accounting Standards Board's (IASB's) Practice Statement on Management Commentary and ii) formation of an ISSB. Board members generally supported a strategy based on near-term implementation guidance and a medium-term alignment of Value Reporting Foundation resources where this makes strategic sense in the broader corporate reporting system.

Technical Programme update

Staff updated Board members on the status of the *Transition to Integrated Reporting: A Guide to Getting Started* as well as a joint paper with the Institute of Internal Auditors, which will connect the concepts of integrated reporting and integrated thinking to risk management, internal control and internal audit. Members were also apprised of the Value Reporting Foundation's contributions to the *Technical Readiness Working Group* of the IFRS Foundation. Finally, a preliminary response to the IASB's Exposure Draft of the *Practice Statement on Management Commentary* (included in the agenda item 4 papers) was introduced. Staff invited members to review the draft and submit detailed comments out of session.

Guest speaker: Bryan Esterly, Director of Research – SASB Standards

Bryan Esterly provided an informative overview of the SASB Standards, noting their scope, underlying development process and complementarity with the <IR> Framework. The Chair opened the floor to questions and comments, which generally focused on the SASB Sustainability Map and details of specific industry standards. The Chair thanked Bryan for his presentation.

Any other business

No other matters were noted.

Conclusion and next steps

The Chair extended his thanks once again to departing Board member Tom Roundell-Green and confirmed the next <IR> Framework Board meeting date as **Tue 12 October**. The Chair thanked Board members and guests for their attendance and contributions and closed the meeting.