SUMMARY OF
SIGNIFICANT ISSUES

INTERNATIONAL <IR> FRAMEWORK

INTEGRATED REPORTING <IR>

ABOUT THE IIRC

The International Integrated Reporting Council (IIRC) is a global coalition of regulators, investors, companies, standard setters, the accounting profession and NGOs. Together, this coalition shares the view that communication about value creation should be the next step in the evolution of corporate reporting.

The International <IR> Framework has been developed to meet this need and provide a foundation for the future.

Further information about the IIRC can be found on its website www.theiirc.org, including:

- The background to the IIRC's creation

- Its mission, vision and objectives

- Its structure and membership, and the membership of groups who have contributed to the development of the Framework

- Its due process.

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INTRODUCTION

This document has been prepared by IIRC staff to supplement the IIRC's *Basis for conclusions,*[1] which deals with the major technical issues raised in in public comments on the *Consultation Draft of the International <IR> Framework* released by the IIRC in April 2013 (the Consultation Draft).[2] It relates to but is not part of the *International <IR> Framework* endorsed by the IIRC Council on 5 December 2013 (the Framework).[3]

It provides a high-level summary of the process followed by the IIRC in developing the Framework, and how significant technical issues raised by respondents to the consultation questions in the Consultation Draft have been addressed. The Appendix to this document highlights significant changes in structure and movements of text between the Consultation Draft and the Framework.

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[1] www.theiirc.org/international-ir-framework
[2] www.theiirc.org/consultationdraft2013
[3] www.theiirc.org/international-ir-framework

SUMMARY OF PROCESS

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Developing the Consultation Draft

Developing the Consultation Draft involved:

- Release of an IIRC Discussion Paper[4] in September 2011.

- Analysis of feedback on the Discussion Paper

- Discussions at IIRC Pilot Program conferences, webinars, and regional meetings, involving participants from both its Business Network and Investor Network

- Research on business models, the capitals, connectivity, materiality, and value creation, conducted by IIRC Technical Collaboration Groups and published as a series of Background Papers[5]

- Publication of an Outline[6] and then a Prototype Framework[7]

- Discussion at four IIRC Working Group[8] meetings, and out-of-session comments from Working Group members

- Line-by-line review of numerous iterations and refinements by the IIRC Technical Task Force[9]

- Extensive outreach activities around the world, including roundtables, seminars, presentations, and workshops.

Consultation Draft feedback

The Consultation Draft was open for public comment from 16 April till 15 July 2013.

The IIRC received 359 submissions[10]with regional and stakeholder profiles as shown below. Many of the submissions were from groups – when individuals and organizations named in group submissions are included, total exceeds 600.

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[4] *Towards Integrated Reporting – Communicating Value in the 21st Century* www.theiirc.org/discussion-paper
[5] http://www.theiirc.org/resources-2/framework-development/background-papers
[6] http://www.theiirc.org/2012/07/11/draft-framework-outline
[7] http://www.theiirc.org/prototype-of-the-international-ir-framework
[8] http://www.theiirc.org/the-iirc/structure-of-the-iirc/iirc-working-group
[9] http://www.theiirc.org/the-iirc/structure-of-the-iirc/technical-task-force
[10] http://www.theiirc.org/consultationdraft2013

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Legend (pie chart):
- Global
- Africa
- Asia and Oceana
- Central and South America
- North America
- Europe

Bar chart categories: Preparers, Professional Bodies, Consultants, Investors, NGO, Auditors, Academics, "Regulators", Others

Analysis of feedback and changes to the draft Framework

Consultation Draft submissions were analyzed by a number of individuals, each of whom looked at one question, or a small group of related questions. Their analyses are publically available.[11] The IIRC Technical Directors considered the relative importance of, and links between, the key issues emerging from individual question analyses, and how they related to past discussions.

IIRC Technical Task Force members read individual submissions to the extent they considered necessary and collectively reviewed:

- Each of the question-by-question analyses

- Input from the IIRC Investor Testing Group, and an IIRC Technical Collaboration Group researching assurance issues

- Successive drafts of the Framework, resulting in the draft discussed at the IIRC Working Group meeting in October 2013.[12]

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[11] www.theiirc.org/resources-2/framework-development/technical-agenda-papers
[12] www.theiirc.org/resources-2/framework-development/technical-agenda-papers

The IIRC Working Group reviewed the draft, deliberated on the Technical Task Force's recommendations on key technical issues, and voted to recommend a revised draft to the IIRC Council for endorsement.[13] That draft was endorsed by the Council at its meeting on 5 December 2013 and approved by the IIRC Board for release on 9 December 2013.

Considerations in making changes to the draft Framework

While the number of submissions supporting a particular position was considered by the IIRC in making changes to the Consultation Draft, this was not the only, or necessarily the most important, matter considered. In addition, the IIRC considered whether proposals:

- Were consistent with the objectives of <IR> and with the principles-based approach, the exercise of judgement and continued innovation

- Were practical to implement given the current stage of evolution of <IR>

- Focused on the preparation of the integrated report

- Improved the clarity of, and enhanced the connection between, Framework concepts

- Resulted in a more logical Framework structure and minimized duplication

- Improved accessibility (e.g., through the use of plain language).

Overall view

Given the range of issues addressed and views expressed in submissions, it is difficult to make generalizations about comments received.

It is, however, fair to say that the vast majority of submissions received were supportive of the Consultation Draft. For example, only 14% of submissions disagreed or expressed a major reservation in answer to the question: "*Recognizing that <IR> will evolve over time, please explain the extent to which you believe the content of the Framework overall is appropriate for use by organizations in preparing an integrated report and for providing report users with information about an organization's ability to create value in the short, medium and long term*".

Requests for additional guidance

Numerous requests were made for additional guidance on various aspects of the Consultation Draft. Some respondents also provided advice on the application of certain aspects of the Consultation Draft. While this feedback was considered in the development of the Framework, certain recommendations went beyond the scope of a principles-based framework. However, these recommendations will be considered for future interpretive guidance via technical projects and Frequently Asked Questions on the IIRC's website.

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[13] http://www.theiirc.org/consultationdraft2013

ANALYSIS OF CONSULTATION DRAFT QUESTION

QUESTION 1 – PRINCIPLES-BASED REQUIREMENTS

"Should any additional principles-based requirements be added or should any be eliminated or changed? If so, please explain why."

100% of the respondents answered this question. There was strong support for the proposed principles-based requirements as a whole, with over 90% of responses in favour, including 38% who "supported with qualification".

A number of respondents questioned the identification of providers of financial capital as the primary audience (which is discussed at *Question 4 – Other Chapter 1 comments* and *Questions 11-12 – Materiality and conciseness*) or sought further clarification on the definition of value and aspects of value creation/depletion (which are discussed at *Question 10 – Other comments related to Chapter 2*). The other key issues that emerged in responses to Question 1 are summarized below.

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
Principles-based requirements		
Should the phrase "Principles-based requirements" be used as it sounds like a contradictory term?	Some respondents thought that the use of prescriptive terminology (i.e., requirements) juxtaposed with the term "principles-based" was inconsistent.	The Framework's overall approach is "principles-based" as explained in paragraphs 1.9-1.11; this involves including a small number of high-level requirements in the Framework (as explained in paragraphs 1.17-1.19). The term "principles-based requirements" has been deleted. The use of other terminology perceived as prescriptive has been also reconsidered.
What is the principle behind the application of bold italic type in the Framework?	Some respondents expressed concern that the use of bold italic type was not consistently applied throughout the Consultation Draft.	In certain cases, the Consultation Draft used bold italic type to emphasize important concepts. To improve consistency and reduce confusion, the use of bold italic type has been confined to the small number of requirements that need to be applied to satisfy an integrated report's claim of "in accordance" (or similar association) with the Framework. For ease of use, a summary of requirements has been provided in an appendix to the Framework.
How can flexible principles enable peer-to-peer comparisons?	Some respondents expressed concern that only a rules-based approach would enable peer-to-peer comparisons.	The Framework encourages organizations to identify and communicate the factors that influence their ability to create value over time. As an international framework catering to all regions and industries, its approach is necessarily principles-based. To prescribe specific disclosures, metrics and measurement rules would not only be unrealistic from the standpoint of framework development, but it would also pose a constraint to organizations and possibly instill a false sense

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
		of comparability for providers of financial capital.
		The subsection on *A principles-based approach* was revised to emphasize the need for consistent measurement methods across the organization's own communications (refer to paragraphs 1.9-1.10 of the Framework) and a new section regarding general reporting guidance (Section 4I) has been added that includes the characteristics of quantitative indicators that was previously included under the Content Element, *Performance*, to further emphasize the importance of an organization selecting key performance indicators to enable comparisons.
		It is anticipated that measurement methods specific to an integrated report may develop over time.
		See further discussion concerning comparability under *Consistency and comparability* section of *Question 15 – Other Guiding Principles* below.
Meeting Framework requirements		
Given that some of the requirements in the Consultation Draft are challenging to apply, how can full compliance be achieved?	Some respondents expressed concern over the ability to satisfy all Framework expectations. Some respondents believe a "comply or explain" provision should be added to encourage uptake.	The use of bold italic text has been retained to support an integrated report's claim of *"in accordance"* (or similar association) with the Framework. As an iterative process or journey, it is expected that the scope and quality of integrated reports will evolve over time. Policy matters are beyond the confines of a principles-based framework; accordingly a requirement to prepare an integrated report on a "comply or explain" basis has not been added to the Framework.
Unavailability or omission of data		
Why should the Framework permit the unavailability of reliable data or competitive harm as a reason to avoid disclosing material matters?	Some respondents were concerned that the Consultation Draft includes provisions that provide excuses for non-disclosure that may be used inappropriately and undermine the usefulness of integrated reports.	It was intended that all material matters be disclosed, but that the depth of those disclosures and information provided will depend on the availability of reliable data and likelihood of compromising competitiveness. (See also the *Cost/benefit* and *Competitive advantage* sections under *Questions 13 and 14 – Reliability and completeness*.)

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
		Paragraph 1.17 of the Framework retains the concepts included in paragraph 1.11 of the Consultation Draft. However, the related paragraphs under the Guiding Principle *Reliability and completeness*, have been revised to clarify that material matters are to be disclosed, but the extent, level of specificity, and preciseness of those disclosures will consider the availability of reliable data and likelihood of inflicting significant competitive harm (see paragraphs 3.49-3.51 of the Framework).
		The required disclosures when material information is omitted have been revised to exclude competitive harm situations (see paragraph 1.18 of the Framework).
What is the logic behind identification of, and explanation for, omissions as it seems circular?	Respondents pointed out that the need to identify and explain omissions, as described in paragraph 1.12 of the Consultation Draft, seems to compel organizations to disclose the very matters that they were unable to disclose.	In addition to the removal of competitive harm, the text of paragraph 1.18 of the Framework has been revised to clarify that where legal prohibitions limit the ability to disclose information, the *nature* of the information and reason for omission should be provided.

QUESTION 2 – INTERACTION WITH OTHER REPORTS

"Do you agree with how paragraphs 1.18-1.20 characterize the interaction with other reports and communications?"

83% of the respondents answered this question. Although the majority of respondents (75%) agreed, or agreed with minor qualification, with the way in which paragraphs 1.18 – 1.20 of the Consultation Draft described the interaction between integrated and other reports, there was confusion about: (i) how an integrated report aligns with, refers to or avoids duplication with other reports and disclosures and (ii) whether the concepts and principles of <IR> should be applied to *existing* corporate reports and communications, used to prepare a *separate* report, or both.

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
Purpose of the Framework and form of the integrated report		
Could the purpose of the Framework and an integrated report be made clearer?	A number of respondents indicated confusion as to whether the concepts of the Consultation Draft were to be applied to existing reports or to an integrated report.	While full implementation of <IR> is likely to affect a suite of communications regarding the creation of value over time, the Framework is intended to apply to the preparation of an integrated report. Accordingly, the structure of the Framework has been revised to make that more apparent and the section *Objective of the Framework* has been revised to more clearly articulate this (see paragraphs 1.3-1.6 of the Framework).
Relationship to other communications		
Does an integrated report have to be a separate, standalone report or can it be presented in an existing report?	Many respondents expressed concern about whether an integrated report is an *additional* report or whether the Framework applies to *existing reports*, possibly as an enhancement of annual or regulated reports. Respondents requested that the relationship between integrated and other reports (such as sustainability and financial reports) be clarified.

Other considerations by the IIRC—Possible forms that an integrated report could take that were considered included:

• designated, identifiable communication as a standalone report or part of another report | Paragraphs 1.18 and 1.20 of the Consultation Draft have been incorporated in Section 1E *Form of report and relationship with other information*, which:

• identifies the form of an integrated report as a "designated, identifiable communication", either as a standalone report or included as a distinguishable, prominent and accessible part of another report or communication, and
• provides further clarification on its relationship with other reports, recognizing that there are multiple communication outcomes and placement options.

As part of its future work plan, the IIRC will consider developing certain jurisdiction-specific documents that:

• describe possible pathways to an integrated report based on the local reporting context |

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
	• content index for reporting • executive summary of information in other reports • roadmap to other communications.	• reference applicable material, standards and measurement methods to support the comparability and reliability of integrated reports.

QUESTION 3 – ONLINE DATABASE

"If the IIRC were to create an online database of authoritative sources of indicators or measurement methods developed by established reporting standard setters and others, which references should be included?"

73% of respondents answered this question and while many respondents (90%) supplied authoritative sources of indicators or measurement methods, some respondents expressed concern as to whether the IIRC should create an authoritative <IR> database.

A total of 118 different sources of information were provided by respondents for inclusion, with the Global Reporting Initiative (GRI) and the International Accounting Standards Board (IASB) being the two most quoted framework or standard-setters (receiving 23% of recommendations), followed by the International Federation of Accountants, the Carbon Disclosure Project and the Greenhouse Gas Protocol.

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
Online database		
Is it appropriate for the IIRC to create an online database of authoritative sources of indicators or measurement methods?	Some respondents expressed concern that in creating such a database, the IIRC would appear to be endorsing certain indicators or measurement methods. That list might inadvertently become one that organizations feel compelled to use. Other considerations by the IIRC—A more attractive alternative might be to provide guidance on principles of what constitutes a "good indicator", such as the characteristics of quantitative indicators included in paragraph 4.31 of the Consultation Draft under the *Performance* Content Element.	The IIRC has not created a database of sources of authoritative indicators or measurement methods at this stage. However, general reporting guidance has been included in Section 4I of the Framework, and the guidance regarding characteristics of quantitative indicators, which was previously included under the *Performance* Content Element of the Consultation Draft, has been included in the new section to assist preparers in selecting appropriate indicators (see paragraph 4.53 of the Framework). In addition, the Framework calls for the disclosure in the integrated report of the measurement methods used (see paragraphs 4.47-4.48 of the Framework). As part of its future work plan, the IIRC will consider developing a database of authoritative sources of indicators or measurement methods.

QUESTION 4 – OTHER CHAPTER 1 COMMENTS

"Please provide any other comments you have about Chapter 1."

57% of respondents provided feedback, of which 44% focused on the audience for the integrated report. Some observed that providers of financial capital are diverse and suggested a focus on long term investors. Others considered investors a logical starting point but as stakeholder and investor interests align over time, the audience should be expanded to all stakeholders. Others called for an all-stakeholder approach from the outset, with a merging of financial and sustainability reporting into a single report. Some urged that the integrated thinking concept be elevated in the Framework.

A few respondents expressed concern over a perceived provision for omitting information; the concerns on this topic included in responses to the various questions is discussed under *Questions 13 and 14 – Reliability and completeness* (see the *Cost/benefit* and *Competitive advantage* sections).

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
Audience		
Why aren't all stakeholders the focus of an integrated report?	Some respondents thought that the focus on providers of financial capital as the primary users of an integrated report was too narrow a focus for the integrated report and that the information needs of other stakeholders should be given more prominence.	The section on *Audience* in the Consultation Draft has been revised to Section 1C *Purpose and users of an integrated report* in the Framework, and the primary purpose of an integrated report is described as explaining to providers of financial capital how an organization creates value over time. The section also explicitly recognizes that an integrated report benefits all stakeholders interested in an organization's ability to create value (see paragraphs 1.7-1.8 of the Framework).
		See further discussion of audience in the *Basis for conclusions*.
Integrated thinking		
Could greater prominence be given to the concept of integrated thinking?	A few respondents thought that greater prominence should be given in the Framework to the concept of integrated thinking.	As a core concept of <IR>, integrated thinking receives prominent mention in a newly-added section *About Integrated Reporting* at the front of the Framework, which keeps such contextual information distinct from the guidance on report preparation. The definition of <IR>, in the Glossary, recognizes that it is founded on integrated thinking in an organization.

QUESTIONS 5 AND 6 – THE CAPITALS

"The Framework describes six categories of capital (paragraph 2.17). An organization is to use these categories as a benchmark when preparing an integrated report (paragraphs 2.19-2.21), and should disclose the reason if it considers any of the capitals as not material (paragraph 4.5).

- Do you agree with this approach to the capitals? Why/why not?
- Please provide any other comments you have about Section 2B?"

There was strong support for the Consultation Draft's approach to the capitals. Over 86% of the respondents answered Question 5, of which 71% agreed with minor qualification to the approach to the capitals and another 19% endorsed the Consultation Draft approach. Concerns centered on the lack of clarity regarding the approach to the capitals in Section 2B of the Consultation Draft, terminology, how prescriptive the Framework should be and implementation issues.

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
Categorization of capitals		
Is the categorization and description of the capitals clear enough?	Some respondents questioned the Consultation Draft's clarity with respect to the boundaries of, and interactions between, various capitals. This included concerns about whether: • there is sufficient specificity, guidance and examples in the Consultation Draft • the capitals identified are the correct ones • each capital is described correctly (particularly intellectual capital) • Figure 4 is helpful in the categorization. Although there were several suggestions about how to change the categorization or descriptions of the capitals, they were quite varied and none appeared to have general support. Questions were also raised about how to deal with trade-offs between various capitals (see *Additional disclosure requirements* section of	The level of specificity, guidance and examples are considered appropriate for a principles-based framework, particularly given the role that the capitals model plays (see the next section, *Reporting on the capitals*). However, the development of further guidance and examples is being considered as part of the IIRC's future technical work plan. The categorization of the capitals was retained in the Framework. However, some changes were made to the description of the capitals, the most significant of which was the re-categorization of "intangibles associated with the brand and reputation that an organization has developed" from intellectual capital to social and relationship capital. Figure 4 of the Consultation Draft has been deleted.

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
	Question 16 – Content Elements below).	
Is the term "capitals" appropriate?	A number of respondents suggested that the term "capitals" should be replaced with "resources and relationships" or a similar term.	The term "capitals" has been retained as it emphasizes that all the capitals, not just financial capital, are stocks of value that can be built up or run down over time and which must at least be maintained if they are to continue to produce a flow of benefits in the future.
Reporting on the capitals		
Should the Framework be more prescriptive with respect to the capitals?	Respondents appeared to be confused by an apparent contradiction between how the role of the capitals was explained in Section 2B of the Consultation Draft (which implied a flexible approach), and the requirement in paragraph 4.5 of the Consultation Draft to disclose "the reason why the organization considers any of the capitals identified in this Framework to be immaterial given its particular circumstances, if that is the case" (which implied a rigid or prescriptive approach).	The fact that the Framework does not require an integrated report to adopt the categories it identifies or to be structured along the lines of the capitals has been emphasised in the revision of Section 2C of the Framework (previously Section 2B in the Consultation Draft). As noted in the summary of Question 16 below, the requirement of paragraph 4.5 of the Consultation Draft to disclose immaterial capitals has been deleted.
Do the capitals need to be monetized or otherwise quantified?	Some respondents noted difficulties associated with developing metrics for the capitals, and quantifying and attaching a monetary value to them.	The fact that the Framework does not require quantification or monetization has been emphasized in paragraph 1.11 of the Framework.

QUESTIONS 7 AND 8 – BUSINESS MODEL

"A business model is defined as an organization's chosen system of inputs, business activities, outputs and outcomes that aims to create value over the short, medium and long term (paragraph 2.26). Do you agree with this definition? Why/why not?

Outcomes are defined as the internal and external consequences (positive and negative) for the capitals as a result of an organization's business activities and outputs (paragraphs 2.35-2.36). Do you agree with this definition? Why/why not?"

76% and 72% of respondents provided responses to Questions 7 and 8, respectively. Nearly 70% of the respondents either fully agreed (48%) or agreed with minor modification (21%) to the Framework's proposed business model definition.

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
Definition of business model		
Why is a new definition created for business model when commonly accepted definitions already exist?	Some respondents were concerned that the Consultation Draft created a new definition for business model, citing various other definitions.	Although other definitions exist, none seem to prevail. The business model definition has been revised to recognize the interactions described in the Fundamental Concepts but it was not considered necessary to recognize the potential for multiple business models in the definition itself. However, the Framework continues to address multiple business models in the Content Element guidance (refer to paragraphs 4.21-4.22 of the Framework).
Could the definition of business model be elaborated to cover instances where an organization has multiple business models?	Several respondents requested that the definition recognize the potential for multiple business models.	
Is the Framework's definition of business model applicable to all types of organizations?	Some respondents expressed concern that the definition was not applicable to all types of organizations.	The revised definition refers to strategic purposes and the interactions described under the Fundamental Concepts and, accordingly, can also be applied, adapted as necessary, by public sector and not-for-profit organizations, which is recognized in paragraph 1.4 of the Framework.
Outcomes		
Should "outcomes" be included as one of the elements of the business model?	Some respondents expressed concern that inclusion of the term "outcomes" in the definition of business model is inappropriate citing that outcomes are the results (or consequences) of an organization's business model. The ability of an organization to	As an integral component of <IR>, the outcome component of the business model discussion has been retained.

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
	objectively measure outcomes was also considered idealistic. The outcomes of business activities are critical to value creation or diminution and therefore should be considered by organizations.	

QUESTION 9 – OTHER BUSINESS MODEL MATTERS

"Please provide any other comments you have about Section 2C or the disclosure requirements and related guidance regarding business models contained in the Content Elements Chapter of the Framework (Section 4E)."

Only 38% of the respondents provided feedback as the responses to Questions 7 and 8 already covered significant ground. The comments addressed a range of business model-related topics and, in many instances, sought further clarification. In particular, respondents were confused by the appearance of business model as both a Fundamental Concept and a Content Element. The treatment of business model considerations in the *Fundamental concepts* chapter in particular was thought to be confusing as it both described the "workings" of a business model and provided content-related guidance.

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
Resilience of business model		
Will reporting on the resilience of the business model result in useful disclosures?	Respondents opposed disclosures on the resilience of the business model on the basis that they encourage divulgence of commercially-sensitive information. Others pointed to the inherent uncertainty of the subject matter, particularly in the longer term. Some felt that information already provided by other Content Elements (particularly, *External environment*, *Risks and opportunities*, *Strategy* and *Outlook*) should provide the information necessary to assess resilience. Additionally, some found the word "resilience" problematic, in as much as it overlaps with the concept of "going concern" in financial reporting and auditing.	Based on these concerns, the *Business model* Content Element has been revised to remove the requirement to disclose the extent to which the business model is resilient (see paragraph 4.10 of the Framework).
Multiple business models		
Will the current focus on corporate level disclosures lead preparers to ignore underlying business models?	Some respondents were concerned that paragraph 4.25 of the Consultation Draft, regarding the treatment of business models in an integrated report when there is a "central corporate division", may cause organizations to	The discussion concerning multiple business models in the Framework has been clarified and recognizes that it may be appropriate in certain circumstances to focus on the investment management business model rather than the business model of individual investments. Paragraph 4.25 of the Consultation Draft has been revised (refer to paragraphs

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
	overlook the *composite* business models of various divisions. Accordingly, certain material risks may not be sufficiently addressed.	4.21-4.22 of the Framework).
Relationship with other Content Elements		
How does the business model relate to strategy and other Content Elements?	Some respondents questioned how the business model and strategy relate to each other in the Consultation Draft and sought greater emphasis that the strategy flows from the business model.	The Framework has been revised to provide a clearer mapping between the concepts of the business model and other Content Elements. Section 2D *The value creation process* of the Framework has been revised to highlight each Content Element and logically guide readers through the accompanying conceptual diagram.
Relationship with the capitals		
Could the Framework clarify reporting on how the business model uses and affects the capitals?	Some respondents pointed out that both Chapters 2 and 4 of the Consultation Draft discussed business model reporting in relation to the capitals, making it confusing to follow.	To minimize duplication and allow a more logical Framework structure, all content-related guidance as it pertains to reporting on the business model and capitals has been confined to a single chapter (see Chapter 4 of the Framework). The IIRC will contemplate further guidance as part of its future work plan.
Static content		
Won't reporting on a static business model contradict the *Conciseness* Guiding Principle?	Respondents noted that business models are often relatively static over time, potentially leading to repetition from one integrated report to the next. Respondents also questioned a potential contradiction with the *Conciseness* Guiding Principle given that paragraph 5.38 of the Consultation Draft stated that it may be appropriate to place static information on a website, with the integrated report providing a reference thereto. Other considerations by the IIRC—Confining the business model discussion to only *period-to-period changes* may impair readers'	The business model is central to the value creation process and, therefore, that the business model discussion provides important context in terms of strategy, risks and opportunities, capitals and value creation. Therefore, the requirement for a business model discussion, even in the absence of changes from the prior report, has been retained in the Framework.

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
	assessment of the organization.	
Diagrams		
Is Figure 2 needed and can Figure 3 be better positioned and explained more clearly?	Some respondents expressed concern that the two diagrams were confusing and seemingly inconsistent with the Consultation Draft guidance.	Figure 2 aimed to show the interaction of an organization and its external environment and the capitals. Figure 3 then drilled down to the organization's value creation process, including key business model interactions. The three-page gap between Figure 3 and a comprehensive business model discussion led to an illogical flow.

Chapter 2 has been restructured to more effectively describe the value creation process and the business model interactions.

Figure 2 of the Consultation Draft has been eliminated and Figure 3 of the Consultation Draft has been revised to indicate the circular activities of the organization and the diagram has been repositioned in the Framework (see Figure 2 of the Framework). |

QUESTION 10 – OTHER COMMENTS RELATED TO CHAPTER 2

"Please provide any other comments you have about Chapter 2."

Fewer than 50% of the respondents provided comments. Some of those comments related to content, structure and order of the fundamental concepts in Chapter 2 together with proposed amendments:

- Comments provided on Section 2B *The capitals* are considered collectively under Questions 5 and 6 above

- Comments on Section 2C *Business model* are considered under Questions 7 and 8 or Question 9 above

- Almost 70% of the comments centered on Section 2D *Value creation* with concerns regarding the meaning of *value* and *value creation*; the audience for an integrated report in relation to value creation; and the need for clearer guidance on its application, particularly with respect to measurement.

Issues related to value/value creation and the capitals also are considered in more detail in the *Basis for conclusions*.

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
Structure of Chapter 2		
Is the structure and flow of Chapter 2 appropriate?	Some respondents questioned whether the structure and flow of Chapter 2 of the Consultation Draft was appropriate, including whether: (i) the concept of value creation should be addressed before the capitals and (ii) the section on business model should be included or its content merged with the Content Element *Business Model*.	Chapter 2 has been restructured in the Framework. After a short introduction, the chapter now explains the concept of value creation, followed by the concept of capitals. It finishes with a description of the value creation process, which includes links to the Content Elements in Chapter 4. The section on the business model has been deleted; its content now appears in the Content Element *Business Model* in Chapter 4 or the description of the value creation process at Section 2D of the Framework.
Definition of value and value creation		
Should value or value creation be defined?	Respondents expressed some confusion around: • What is value and value creation? • Value for whom? • Who is the audience for an integrated report (addressed in Questions 11 and 12 below)? • Whether and, if so, how value should be	While value has not been defined (see the *Basis for conclusions* for more detail), the Framework has been revised to note in paragraphs 2.4-2.9 that value created by the organization: (a) manifests itself in increases, decreases or transformations of the capitals, and (b) has two interrelated aspects – value created for: • The organization itself, which enables financial returns to the providers of financial capital

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
	defined? • How does value relate to the capitals? Other considerations by the IIRC—The concept of value could be approached in several ways: *Total of all capitals.* This approach already permeates the Framework and is compatible with the concept of outcomes. There is a risk of circular logic as capitals are defined as "stocks of value". *Value captured by the organization.* This approach recognizes the "portion" of value from which an organization can benefit. This may be captured in the form of improved reputation, creation of innovative products, skilled workforce or enhanced cash flows. *Market value/cash flows of the organization.* This approach relates specifically to profit-oriented private sector companies. *Dual-components.* This approach includes: • value to the organization, which enables flows to providers of financial capital in the form of market value/cash flows • value to society/stakeholders broadly *Successful achievement of organizational objectives.* Although this approach would *include* generating or attracting funds when appropriate to the organization, its scope is broader. *Organization-specific.* This approach could include requiring the organization to define or describe its own interpretation of "value" or reflect what its key	• Others (i.e., stakeholders and society at large). A definition of *value creation*, based on the explanation in paragraph 2.4 of the Framework, has been included in the Glossary.

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
	stakeholders regard as value.	
Why isn't explicit reference made to value depletion as well as value creation throughout the Framework to avoid introducing reporting bias?	Some respondents expressed concern about the perceived lack of focus on value depletion throughout the Framework and concern that it might introduce potential reporting bias by preparers to omit matters relating to depletion.	Paragraph 2.16 of the Consultation Draft stated that reference to "value creation" also includes the diminution or destruction of value. For brevity, the Consultation Draft did not repeat the word "diminution" for each mention of value creation. However, based on respondent feedback, the clarification in paragraph 2.16 was not sufficiently prominent. The Framework gives further emphasis to the fact that the term value *creation*, as used in the Framework, includes instances when value is *preserved* and when it is *diminished* (see paragraph 1.6 of the Framework).
Value creation measurement		
Can the role of measurement in relation to value creation be clarified?	Some respondents expressed concern over a lack of clarity on the role of measurement in value/value creation in the Consultation Draft.	The Framework clarifies that value creation need not – and in many cases *cannot* – be measured but that quantitative indicators are included in an integrated report whenever it is practicable and relevant to do so (see paragraph 1.11 of the Framework). The importance of a combination of quantitative and qualitative information has also been emphasized by a link in the Framework from paragraph 1.11 to paragraph 3.8 in Section 3B *Connectivity of information*.

QUESTIONS 11 AND 12 – MATERIALITY AND CONCISENESS

"Materiality is determined by reference to assessments made by the primary intended report users (paragraphs 3.23-3.24). The primary intended report users are providers of financial capital (paragraphs 1.6-1.8).

- **Do you agree with this approach to materiality? If not, how would you change it?**

- **Please provide any other comments you have about Section 3D or the Materiality determination process (Section 5B)."**

80% and 52% of respondents provided responses to Questions 11 and 12, respectively, of which 55% of respondents agreed with the proposed approach, favouring its: (i) primary focus on providers of financial capital, (ii) emphasis on conciseness, (iii) attention to communication through the eyes of management and (iv) connection to other Framework concepts. Those who opposed the approach (39%) disagreed with use of the word "materiality" itself or believed that it: (i) overlooked broader societal or environmental interests, (ii) was misaligned with materiality definitions already in use or (iii) offered insufficient detail on a range of materiality-related topics.

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
Definition of materiality		
Is "materiality" the right term to use?	Respondents questioned the use of the term "materiality", providing various rationales for their challenge, including that it: • carries regulatory implications • adds to a range of authoritative definitions • conflicts with existing definitions • extends beyond the Framework's remit of *defining report content* • implies a need for quantification • confuses risk management and materiality • preserves an obsolete term Other considerations by the IIRC—In terms of the perceived need to quantify information, the Framework already offers the following clarification: *"Assessing the magnitude of a matter's effect does not imply that the effect needs to be quantified."*	Respondents appeared more comfortable applying the concepts of materiality to the specific subject matter to which they were most familiar, rather than the general underlying principles of the concept of materiality. While alternative terminology (e.g., relevant, significant, important, high priority) was considered, such terminology did not result in a meaningful principle for the preparation of an integrated report. Notwithstanding the concerns cited by some respondents, the principles behind the concepts of materiality ought to be well understood in the reporting community and, accordingly, the term "materiality" has been retained. See further discussion in the *Basis for conclusions*.

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
Is it appropriate to use the term "senior management" in the materiality definition?	Some respondents questioned the inclusion of senior management in the materiality definition when: • other parts of the Consultation Draft identify who is responsible for the integrated report • personnel other than senior management might also have insights and expertise to contribute to the integrated report.	The term "senior management" has been removed from the materiality definition, and a revised definition of material/materiality included in the Glossary of the Framework.
Audience		
Why does the materiality definition focus on providers of financial capital?	Some respondents expressed concern that the Consultation Draft focused primarily on providers of financial capital and, in so doing: • overlooked the interests and information needs of other stakeholders • placed financial capital ahead of all other forms of capital • resulted in disclosures that providers of financial capital *want* to know rather than what they *should* know	Given that the purpose of the integrated report is to communicate the organization's ability to create value over time, the materiality definition has been linked to *value creation* of the organization itself rather than to the *audience*: A matter is material if it could substantively affect the organization's ability to create value in the short, medium or long term. See further discussion in the *Basis for conclusions*.
Definition of concise		
Can the Framework define "concise" and provide more guidance on reconciling conciseness and completeness?	A number of respondents questioned what conciseness means, with a few specifically requesting that the Framework define "concise". Respondents were concerned that the text in paragraph 5.12 of the Consultation Draft regarding *"revisiting the materiality threshold to narrow the population further"* implied that conciseness, rather than completeness, drives the materiality determination process.	The Consultation Draft was intended to encourage organizations to disclose all material information (completeness), *but to do so as concisely as possible,* not to infer that *completeness* is secondary to *conciseness*. Rather than define the terms "concise" or "conciseness", particularly with reference to document length, the Framework describes the *intent* of this Guiding Principle and provides high-level guidance for achieving conciseness (see paragraphs 3.37-3.38 of the Framework). Reference to narrowing the population by adjusting the materiality

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
		threshold has been removed from the Framework.
Structure		
Should *materiality and conciseness* be separated into two Guiding Principles?	Although respondents did not request that the Guiding Principle be split into two separate Guiding Principles, the extent of concerns regarding the application of the conciseness component and the need for further elaboration on the meaning of conciseness warranted consideration.	As conciseness is not linked to the materiality determination process alone, the two principles have been decoupled into separate Guiding Principles, which are reflected in Sections 3D *Materiality* and 3E *Conciseness*, respectively, of the Framework.
Diagram		
Is Figure 6 necessary?	Some respondents expressed concern over the appropriateness of Figure 6, stating that it more accurately reflects risk management and confuses, rather than clarifies, the supporting text. Other considerations by the IIRC—An amended version of this diagram might be better placed, and explained more comprehensively, in a separate guidance document.	Based on respondent concerns, Figure 6 of the Consultation Draft does not fulfill its objective of illustrating or clarifying the Framework content. Accordingly, Figure 6 has been deleted. Figure 5 has also been deleted as it merely repeated the text.

QUESTIONS 13 AND 14 - RELIABILITY AND COMPLETENESS

"Reliability is enhanced by mechanisms such as robust internal reporting systems, appropriate stakeholder engagement, and independent, external assurance.

- How should the reliability of an integrated report be demonstrated?

- Please provide any other comments you have about Section 3E."

73% of respondents provided comments on Question 13. The majority of respondents (65%) viewed independent, external assurance as a fundamental mechanism for ensuring reliability. Some respondents also cited the involvement of those charged with governance as a means of demonstrating reliability (also see *Questions 17 and 18 – Involvement of those charged with governance* below).

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
Reliability		
Why hasn't the Consultation Draft used terms such as "faithful representation to be consistent with those of financial reporting standard setters?	A number of respondents were concerned that the Consultation Draft's use of *"reliability"* and *"balance"* was inconsistent with terminology and definitions in IASB and other standards (e.g., faithful representation).	The terms "reliability" and "balance" have been retained. However, a parenthetical reference that reliability is often referred to as "faithful representation" has been added to paragraph 3.40 of the Framework.
Can guidance on assurance be provided?	As one of the mechanisms for enhancing reliability, many respondents felt that guidance on assurance was needed.	Considering its connection to reliability, reference to internal audit or similar functions has been added, and the reference to external assurance retained, in Section 3F *Reliability and completeness* (see paragraph 3.40 of the Framework). However, as a framework for report preparation, assurance guidance is considered out of scope in the Framework itself and paragraphs 5.20-5.21 of the Consultation Draft have been removed.
		Assurance methodologies for external assurance on an integrated report should be developed by appropriate assurance standard setters. Accordingly, the IIRC intends to collaborate further with assurance standard setters.
Completeness—Cost/benefit		
Is cost a legitimate reason for not	Some respondents expressed concern that the	Given that paragraph 3.40 of the Consultation Draft related to

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
disclosing material matters in an integrated report?	Consultation Draft appears to create a provision, based on cost, to avoid disclosing certain material matters. Other matters considered by the IIRC—Paragraph 3.40 of the Consultation Draft stated that if important information about a material matter is not included in an integrated report, report users may incur costs to obtain that information through other sources or make sub-optimal decisions as a result of not having that information.	rationale rather than guidance, it has been excluded from the Framework. The sentiment regarding the importance of information central to running the business in paragraph 3.41 of the Consultation Draft has been retained, with minor revision (see paragraph 3.49 of the Framework), and the paragraph order has been revised to focus on such business aspects.
Completeness—Competitive advantage		
Can the Framework clarify the circumstances in which concerns about competitive advantage justify nondisclosure of material matters, including in relation to disclosures about business strategy?	A number of respondents were concerned that the Consultation Draft appears to create a provision, based on competitive advantage, to avoid disclosing certain material matters. Others were concerned that a loss of competitive advantage would occur through the disclosure of commercially-sensitive information required under the Consultation Draft, and that organizations will tend to be cautious about reporting on business strategy. Other matters considered by the IIRC—Paragraph 3.42 of the Consultation Draft explicitly recognized this perceived constraint and stated that: • the organization is not expected to disclose information that would significantly harm its competitive advantage • the banner of commercial sensitivity is not to be used inappropriately to avoid disclosure. Paragraph 3.43 of the Consultation Draft recognized that this principle is already adopted	Given that most of paragraphs 3.42-3.44 related to rationale rather than guidance for the preparation of an integrated report, such statements have been removed from the *Competitive advantage* subsection of the Framework (see paragraph 3.51). The remaining text has been revised to focus on the disclosure of important information (i.e., aspects of a material matter that might be excluded) versus the omission of a material matter. In the normal course of operations, an organization determines the timing of when to release information in public statements. If, for example, an organization is in the midst of negotiating a major acquisition or disposition, specific information would not be included in an integrated report until such time as the organization concludes that it is appropriate to release such information to the public. However, the disclosure of strategy in an integrated report may include a disclosure about the intent to grow a particular aspect of the business through acquisitions in a particular region. See further discussion in the *Basis for conclusions'* section on *Legal liability and competitive harm.*

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
	for analyst calls in which many organizations discuss strategic objectives and strategies. Paragraph 3.44 described that it may often be that information about strategies is already known to the market, and therefore available to competitors, and that the true competitive advantage lies in how those strategies are executed (e.g., the efficiency and effectiveness of the processes and practices used) rather than in the strategies themselves.	

QUESTION 15 – OTHER GUIDING PRINCIPLES

"Please provide any other comments you have about Chapter 3 that are not already addressed by your responses above."

Approximately 40% of respondents provided comments in response to Question 15, although some also included comments regarding the other two Guiding Principles (i.e., *Materiality and conciseness* and *Reliability and completeness*) for which there were separate questions. Some respondents felt that rather than create new Guiding Principles, the Consultation Draft should align with those found in existing frameworks. There was also some confusion regarding the difference between the Guiding Principles and Content Elements as some saw duplication. A third of the comments related to concerns about *Strategic focus and future orientation*.

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
General matters		
Why don't the Guiding Principles align with those in other frameworks?	A number of respondents questioned why the Consultation Draft created a new set of Guiding Principles rather than align with other frameworks. Some specifically identified the GRI's Sustainability Reporting Framework as one with which the Guiding Principles should align.	The Guiding Principles are intended to provide general principles for preparation of an *integrated report*. Other frameworks do not share this specific focus. Paragraph 3.1 of both the Consultation Draft and the Framework state that the Guiding Principles underpin the preparation of an integrated report by informing the content of the report and how information is presented. Accordingly, the Guiding Principles for the preparation of an integrated report have been retained.
Is terminology: • used consistently for identifying requirements and concepts? • appropriate with respect to relative terms (e.g., fundamental, extreme, key, critical, important)?	In certain cases, respondents indicated that they found it difficult to determine whether a Framework element is required, optional or simply provided as guidance. Some thought that the Framework's use of command verbs in certain sections implied a *requirement*. Some respondents also questioned the use of relative terms (e.g., fundamental, extreme, key, critical and important), which have led to significant debate in other realms (e.g., International Financial Reporting Standards) over what such terms mean in practice.	Framework text has been amended to: (i) better distinguish *required* versus *optional* disclosures and (ii) reduce the use of relative terms.

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
Respondent-proposed Guiding Principles		
Should a Guiding Principle on the following be added? • Stewardship • Measurability • Transparency and accessibility	Respondents recommended these additional Guiding Principles or further clarification regarding such matters, citing the following reasons: • Stewardship should be added because corporate stewardship plays a key role in an organization's long term value creation and such a Guiding Principle could help to inform the content of an integrated report. • More explicit emphasis on the importance of key performance indicators is needed in the Framework and a Guiding Principle on measurability would reinforce that. • Transparency and accessibility are higher order principles and should be listed separately as Guiding Principles. "Conciseness" and "completeness" are actually the means of achieving transparency and accessibility of information.	Paragraphs 3.20-3.21 of the Consultation Draft already included stewardship as an aspect of the Guiding Principle *Stakeholder responsiveness*. Accordingly, the focus on stewardship has been retained in the Framework under the existing Guiding Principle (see Section 3C of the Framework) rather than through the addition of another Guiding Principle. The importance of key performance indicators has been emphasized without the addition of another Guiding Principle, as discussed in the *Basis for conclusions'* section on *Measurement and KPIs*. Paragraphs 3.16 and 3.20-3.21 under the Guiding Principle *Stakeholder responsiveness* of the Consultation Draft touches on concepts of transparency and accessibility. These concepts are also inherent in the Guiding Principles of *Completeness* and *Conciseness*, which are means of achieving transparency and accessibility, respectively. Beyond these prompts, the attainment of these concepts will be very much a function of management integrity. With the concepts of transparency and accessibility inherent in existing Guiding Principles, a separate *Transparency and accessibility* Guiding Principle has not been added.
Strategic focus and future orientation		
Is there duplication between the Guiding Principle of *Strategic focus and future orientation* and the Content Elements *Strategy and resource allocation* and *Future outlook*?	Some respondents expressed confusion about how the Guiding Principle *Strategic focus and future orientation* differs from the Content Elements *Strategy and resource allocation* and *Future outlook*. Other considerations by the IIRC—As explained in paragraph 3.3 of the Consultation Draft, *Strategic focus and future orientation* is a pervasive principle that guides the selection and presentation of information, whether that information relates to	The Guiding Principle and the explanatory text of paragraph 3.3 of the Consultation Draft have been retained (see Section 3A and paragraph 3.4 of the Framework). The Content Element title *Strategy and resource allocation* has been retained. To reduce the confusion with the similarity of titles, and given that a future orientation is already implicit in the word "outlook", the Content Element title *Future outlook* has been amended to *Outlook*.

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
	strategy, outlook, risks, opportunities, governance or other Content Elements. On the other hand, the Content Elements *Strategy and resource allocation* and *Future outlook* comprise specific questions that should be answered in the integrated report.	
Is it practical to expect that perceived barriers to disclosing future-oriented information can be overcome?	A number of respondents expressed concerns regarding various legal, regulatory, and reputational issues with respect to the disclosure of future-oriented information. Concerns were also expressed whether future-oriented information is assurable and, if not, whether that would preclude obtaining assurance on the integrated report.	Whether assurance is sought or not, organizations need to be able to demonstrate that they have a reasonable basis for any future-oriented statements. Reputational risk can be reduced to an extent by the organization critically challenging the information being reported. Reports may include cautionary statements regarding the uncertain nature of future-oriented information.
		The Framework does not require disclosures beyond those permitted in the organization's legal or regulatory environment (see paragraphs 1.17-1.18 and 4.39 of the Framework).
		Both the Consultation Draft and the Framework provide guidance on disclosing uncertainties. With this guidance in place, the Framework should continue to encourage a future-oriented stance.

Connectivity of information

| Can further guidance on developing or explaining connections be provided? | Although respondents generally supported the Guiding Principles, clarification was sought on the application of *Connectivity of information*. | The Background Paper for <IR> on Connectivity, which was posted to the IIRC website in July 2013, provides further explanation and guidance. Additional guidance has not been added to the Framework. However, the IIRC will contemplate further guidance or case studies as part of its work plan. |

Stakeholder responsiveness

| What is the intent of the Guiding Principle *Stakeholder responsiveness*? | There were mixed interpretations as to the intent of this Guiding Principle. Some respondents viewed it as an additional process for developing report content. Others were unclear on the type of disclosures required to satisfy *Stakeholder responsiveness*; in this sense, the Guiding Principle | The intent of this Guiding Principle is for an organization, through its integrated report, to demonstrate how its relationships with key stakeholders affects value creation, including how it responds to the needs and interests of stakeholders in its *day-to-day operations*. Responsiveness is demonstrated through an organization's decisions, actions and performance, as well as its ongoing communication with |

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
	had been interpreted more along the lines of a Content Element.	stakeholders. The Guiding Principle was renamed *Stakeholder relationships* and paragraph 3.11 of the Framework has been updated to clarify that the integrated report should not attempt to satisfy the information needs of all stakeholders. A clearer link has been drawn between stewardship and the integrated report.
Consistency and comparability		
Shouldn't reporters disclose the reporting policies and criteria they have used to prepare an integrated report?	Respondents expressed concern about whether comparability can be achieved without a rules-based approach. Some believed that more binding recommendations on the application of this Guiding Principle were needed, including with respect to standardized key performance indicators. Several respondents recommended adding a requirement to the Framework for organizations to publicly disclose their reporting polices and criteria used.	To the extent that peer-to-peer comparisons can be enhanced, it is helpful for report preparers to communicate the standards, frameworks and techniques underpinning their report content. Accordingly, a new Content Element, *4H – Basis of preparation and presentation* has been added to the Framework. In responding to this Content Element, an integrated report would include a summary of the significant frameworks and methods used to quantify or evaluate material matters (see paragraphs 4.40-4.41 and 4.47-4.48 of the Framework). Report users should also recognize that comparisons across organizations' integrated reports may differ from today's norm. In particular, there is likely to be an increased focus on qualitative comparisons between, for example, chosen business models, resource allocations and risk management approaches. Also, see further discussion concerning consistency and comparability under: • Principles-based requirements section under Question 1 • Performance section under Question 16

QUESTION 16 – CONTENT ELEMENTS

"Please provide any further comments you have about Chapter 4."

54% of the respondents provided feedback on the Content Elements. While 10% of the respondents agreed with the Content Elements, a few respondents disagreed with the Consultation Draft as a whole (citing that other frameworks exist that provide information covered by an integrated report or that the Consultation Draft is not fit for purpose as it fails to include the full end-to-end natural capital impact) or disagreed with particular Content Elements. Others:

- provided feedback on the structure of Chapter 4, including order, similarities to Guiding Principles (which is addressed under *Question 15 – Other Guiding Principles*), and whether the details provided under each Content Element were additional requirements

- questioned whether the description in paragraph 4.4 of the Consultation Draft means that an integrated report is a standalone report and its relationship to other reports; this issue is addressed under *Question 2 – Interaction with other reports*

- expressed concern that both Chapter 2 and the Content Element *Business model* contained reporting guidance and questioned which they were to follow in preparing an integrated report; this issue is addressed in conjunction with the other feedback received regarding the business model under *Question 9 – Other business model matters*

- provided comments on the requirement in paragraph 4.5 to disclose the governance body with oversight responsibility; these comments have been collectively considered with the responses to the *Questions 17 and 18 – Involvement of those charged with governance*.

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
Order and structure		
Does the order of the Content Elements make sense?	Many respondents were concerned about the order of the Content Elements and provided various structural proposals. While no consistent pattern emerged, most agreed that *Business model*, a critical concept, appeared too late in the list.	In the Consultation Draft, the order of the Content Elements was based on the order of discussion in Chapter 2, *Fundamental concepts*. However, the Content Elements have been reordered in the Framework to place *Business model* third on the list (see Chapter 4 of the Framework).
Is it sufficiently clear what are requirements and what is guidance in the Framework?	Some respondents challenged whether the descriptions under the bold italicized text were really requirements rather than examples.	The Content Element section has been revised to clarify that bulleted lists are considerations rather than requirements. This has been reinforced in the new *Section 4I – General reporting guidance* in Chapter 4 of the Framework and in paragraph 1.19.

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
Additional disclosure requirements (paragraph 4.5 of the Consultation Draft)		
Is the placement of paragraph 4.5 in the Consultation Draft appropriate?	A number of respondents questioned the positioning of paragraph 4.5 as additional disclosure requirements and some offered alternate placement suggestions.	Paragraph 4.5 of the Consultation Draft drew on Chapters 2 and 5 of the Consultation Draft for a range of important disclosures. However, unlike Content Elements 4A through 4G, this category of "other disclosures" did not have a section title in the Consultation Draft. A new Content Element, *4H – Basis of preparation and presentation* has been added to Chapter 4 (see paragraphs 4.40-4.48 of the Framework), which includes more general disclosures that assist in understanding the integrated report, including those disclosures retained from paragraph 4.5 of the Consultation Draft.
Should there be a requirement to disclose the materiality determination process in the integrated report?	Respondents were divided on the issue of whether there should be a requirement to disclose the materiality determination process. Report preparers tended to oppose the requirement on the basis that the process does not fundamentally change from period to period. Therefore, this discussion might be better placed elsewhere to avoid the potential for boilerplate or clutter. On the other hand, providers of financial capital tended to consider this disclosure an important window into the relevant processes and priorities.	The requirement has been amended to call for a summary of the organization's materiality determination process and key judgements. Organizations are encouraged to identify where readers can find a more detailed description of the process (e.g., on the organization's website). This requirement has been added to the newly-created Content Element *4H – Basis of preparation and presentation* in the Framework.
Should disclosure of material trade-offs be a requirement?	Some respondents viewed this disclosure requirement as implausible on the basis that such disclosures are ideal yet impractical. Arguably, the capitals are not traded off – they are part of a single system in which activities or impacts in one area can influence those in another.	The disclosure of material trade-offs has been removed as a *requirement*. However, the underlying sentiment that organizations should understand the nature and magnitude of material trade-offs that influence their ability to create value has been retained as guidance in Section 4I *General reporting guidance* (see paragraph 4.56 of the Framework).
Doesn't disclosure of why certain capitals are immaterial contradict the *Materiality* Guiding Principle?	While a few respondents thought all capitals would be material, a number challenged why an organization would make disclosures about	The requirement to disclose why certain capitals are immaterial has been removed from the Framework. See also discussion concerning the section *Reporting on the capitals* in

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
	something that is immaterial, which was seen to conflict with the *Materiality* Guiding Principle.	Questions 5 and 6.
Organizational overview and external environment		
Should static information listed in this Content Element be disclosed elsewhere?	Some respondents expressed concern that information listed in this Content Element is static and would best be disclosed outside the integrated report.	Organizations are expected to use judgement when determining the level of detail and placement of such information.
		At the very least, a *summary* of the information listed in this Content Element would ordinarily be useful to understanding the organization's ability to create value. Accordingly, the items listed in the guidance under *Organizational overview and external environment* have been retained.
Should the term "external environment" be replaced by "external context"?	Several respondents expressed concern that the term "environment" is often linked to the "natural environment", a key concept captured under the Framework banner of "natural capital" and, accordingly, may be potentially confusing in some regions.	The term "external environment" has been retained given that the term "external environment" is thought to be commonplace in many countries.
Is disclosure of the competitive landscape appropriate?	Some respondents contended that the organization is most knowledgeable about its *own* circumstances, so its disclosures should focus on this subject matter.	As the organization's view of the competitive landscape provides insight into its own positioning, including key risks and opportunities, the requirement to discuss the competitive landscape has been retained.
Is it realistic to report on the expectations of stakeholders?	To support the understanding of value creation or diminution, the Consultation Draft encouraged organizations to consider the *"legitimate needs, interests and expectations"* of stakeholders. Respondents considered the identification (or prediction) of stakeholder *expectations* to be an unrealistic feat.	Reference to stakeholder "expectations" was removed from the Framework. However, the concept of the legitimate *needs* and *interests* of key stakeholders has been retained.
Governance		
Aren't the governance disclosures outlined in paragraphs 4.11 and	Some respondents were skeptical that the full list of governance matters will be reported in	Not all jurisdictions require basic governance disclosures. The *Governance* Content Element was retained with the following

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
4.12 of the Consultation Draft too extensive?	practice. Some were particularly averse to the depth of executive remuneration disclosures specified in paragraph 4.12 of the Consultation Draft. Others opposed the list of governance disclosures on the basis that many items are already required under existing reporting regimes. Therefore, these respondents viewed adherence to this Content Element as resulting in the replication of information. In contrast to the above opposition, some supported the *Governance* Content Element and went so far as to propose three additional items for inclusion: *competence and experience, mechanisms for addressing integrity and ethical issues*, and the *role of regulatory requirements in influencing governance structure*.	modifications: • the language in paragraph 4.11 was clarified to reflect the linkage to the organization's ability to create value rather than a list of disclosures to be provided (see paragraph 4.9 of the Framework; see also paragraphs 1.19 and 4.3 regarding the status of the guidance in paragraph 4.9). • the three additional items were added based on respondent feedback • paragraph 4.12 of the Consultation Draft was removed as the last bulleted item of paragraph 4.11 of the Consultation Draft essentially covered the same material (see paragraph 4.9 of the Framework).
Opportunities and risks		
Should the Content Element *Opportunities and risks* be renamed, rewritten or combined with others?	Some recommended that the word "risks" be replaced with "threats" or "uncertainties" as risks result from such threats or uncertainties and can be positive or negative. Other respondents expressed concern that a stand-alone *Opportunities and risks* Content Element might lead to isolated disclosures, rather than integration with the other Content Elements.	Given that the Framework includes a Guiding Principle on *Connectivity of information*, there is insufficient reason to eliminate *Opportunities and risks* as a separate Content Element. Additionally, the word "risks" was retained given that it is commonplace in the business vernacular. The Consultation Draft referred to "opportunities and risks" as a deliberate prompt that opportunities should *also* be discussed. However, based on such common usage, the Framework reversed the order of the terms, renamed the Content Element *Risks and opportunities* and conformed the related text.
Should paragraph 4.16 of the Consultation Draft be moved elsewhere, given that it also applies to other Content	Paragraph 4.16 of the Consultation Draft cautioned against the use of generic, or boilerplate, disclosures. Some respondents pointed out that this sentiment transcends	Given that the use of generic disclosures applies to other Content Elements, the caution about generic disclosures has been removed from the specific Content Element and added to the newly-created section,

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
Elements?	*Opportunities and risks* and applies to other Content Elements. Therefore, it should be repositioned or reiterated elsewhere.	*General Reporting Guidance* (see paragraph 4.52 of the Framework).
Performance		
Should more guidance on key performance indicators be provided?	Some sought additional guidance on key performance indicators. Others welcomed paragraph 4.31 of the Consultation Draft, which sets out common characteristics of metrics without specifying particular indicators.	The prescription of specific indicators is beyond the scope of a principles-based framework. However, as its application transcends the *Performance* Content Element alone, the guidance in paragraph 4.31 of the Consultation Draft has been moved to the newly-created section, *General reporting guidance* (see paragraph 4.53 of the Framework). See further discussion in the *Basis for conclusions'* section on *Measurement and KPIs*.
Future outlook		
Should future-oriented information be included given liability concerns?	Many respondents expressed concern that future-oriented disclosures create liability issues, particularly for directors.	The *Outlook* Content Element encourages identification of challenges, uncertainties and related implications for the business model and performance, rather than an outright prediction of the future. Most of the material matters reported will have been discussed at board meetings, so directors are familiar with the subject matter. Organizations can address their own liability concerns by focusing on the specific nature of their disclosures about challenges and uncertainties and the related implications, together with the legal and regulatory requirements to which the organization is subject. Accordingly, a paragraph concerning due consideration of legal and regulatory requirements has been added (see paragraph 4.39 of the Framework).
Are forecasts required?	Some respondents were concerned that the Consultation Draft required forecasts to be provided and thought it would be difficult or impossible to provide meaningful forecasts.	The intent was not to *require* forecasts, but rather to encourage the presentation of future-oriented information so that *others* may assess future prospects. Accordingly, the *Outlook* section has been revised to: • avoid misinterpretation that forecasts and projections are required

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
		• encourage consideration of legal and regulatory requirements • clarify that comparisons between actual and targeted performance aid the evaluation of prospects by others.
Do disclosures about future outlook invite reputational and competitive harm?	Some respondents expressed concern that the *Future Outlook* Content Element may invite reputational and competitive risk.	The risk of competitive harm applies to other Content Elements beyond *Outlook*. As such, clarification has been added to the newly-created Content Element *General reporting guidance* (see paragraph 4.50 of the Framework). Also, see Question 1 *Principles-based requirements* for further discussion about competitive harm.

QUESTIONS 17 AND 18 – INVOLVEMENT OF THOSE CHARGED WITH GOVERNANCE

"Section 5D discusses the involvement of those charged with governance, and paragraph 4.5 requires organizations to disclose the governance body with oversight responsibility for <IR>.

- Should there be a requirement for those charged with governance to include a statement acknowledging their responsibility for the integrated report?

- Please provide any other comments you have about involvement of those charged with governance."

73% of respondents answered Question 17, of which 70% favoured requiring a statement and 20% were opposed.

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
Mandatory statement		
Should a statement from those charged with governance be required?	See discussion in the *Basis for conclusions'* section on *Involvement of those charged with governance.*	Those charged with governance should, in time, be required to take responsibility for the integrated report. This has been included as a requirement in paragraph 1.20 of the Framework.

QUESTIONS 19 AND 20 – CREDIBILITY

"The Framework provides reporting criteria against which organizations and assurance providers assess a report's adherence (paragraph 5.21).

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

- Please provide any other comments you have about Credibility (Section 5E). Assurance providers, in particular, are asked to comment on whether they consider the Framework provides suitable criteria for an assurance engagement."

Approximately 74% of respondents answered Question 19, of which almost 60% agreed or agreed with minor qualification that if assurance is obtained, it should cover the entire report. Twenty-one percent believed that specific aspects of the report should be assured, while 6% disagreed with obtaining assurance on the basis that it is unnecessary, burdensome or cost-ineffective. Credibility and connectivity were cited as the primary reasons for assuring the entire report.

Those who agreed with qualification flagged concern over the feasibility of assuring the entire report in the short term due to underdeveloped systems, assurance methods and skills (in particular for non-financial information). The auditability of some of the integrated report concepts, such as forward-looking information and some of the capitals, was also cited as a concern.

Respondents reaffirmed the concepts in paragraphs 5.19-5.20 that the role of those charged with governance, internal controls and internal audits serve as mechanisms to ensure the reliability of information in an integrated report.

Only 18% of respondents provided feedback on Question 20, of which 50% were unsure about whether the Framework constitutes suitable criteria while 29% disagreed or provided major qualifications regarding the suitability of the Framework. Some voiced concern over suitability for both report preparation and assurance while others focused on assurance. Further comments on credibility were provided by 50% of the respondents to Questions 19-20.

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
Suitable criteria		
Does the Framework provide suitable criteria for the preparation of an integrated report?	Some respondents expressed concern that the Framework is too vague and conceptual, including concerns over: • Auditability of forward-looking information • Ascertaining completeness • Determining sufficiency of connectivity	In the short-term, organizations might seek assurance on specific aspects of an integrated report and exclude difficult areas. Whether assurance is sought or not, the Framework should constitute suitable criteria for the consistent preparation of integrated reports. In finalizing the Framework, the concepts of suitable criteria as defined in the International Auditing and Assurance Standards Board's (IAASB) *International Framework for Assurance Engagements* (relevance, completeness, reliability, neutrality, and understandability) were considered.

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
		See further discussion in the *Basis for conclusions'* section on *Suitable criteria for preparation, presentation and assurance.*
Need for assurance		
Is assurance on an integrated report required?	While many respondents recognized that assurance increases the credibility of integrated reports, some respondents expressed concern that the IIRC should refrain from requiring assurance.	The Consultation Draft did not intend to advocate assurance. Rather, it aimed to recognize its potential role as part of a *range of methods* for ensuring reliability described in paragraph 5.19 of the Consultation Draft. As a framework focused on the preparation of an integrated report, assurance considerations are beyond its scope.
		As paragraph 5.19 of the Consultation Draft addresses *reliability* more than it does *credibility*, the concepts have been incorporated in the discussion of the *Reliability* Guiding Principle (see paragraph 3.40 of the Framework).
		Paragraphs 5.20-5.21 of the Consultation Draft have not been retained in the Framework.
Assurance standards		
Should assurance standards be developed to address issues relevant to an integrated report?	Some pointed to the need to develop specific assurance standards to address issues relevant to an integrated report. Such issues include scope, levels of assurance, using the work of others and form of the assurance report.	As noted above, the matter of assurance is beyond the scope of a framework focused on report preparation. Furthermore, it is not within the remit of the IIRC to develop assurance standards or methodologies.
		As part of its future work plan, the IIRC will consider developing a paper summarizing the issues and concerns expressed by respondents. Such a paper would be made available to those directly involved with assurance standards-setting.

QUESTION 21 – OTHER CHAPTER 5 COMMENTS

"Please provide any other comments you have about Chapter 5 not already addressed in your other responses."

32% respondents provided comments in response to this question, of which 38% commented on Section 5G *Reporting boundary* and 27% commented on Section 5I *Technology*. With regard to Section 5G, respondents sought further clarity and guidance on reporting boundary, including reconciliation to approaches described by other frameworks. There was general support for the content of Section 5I on the basis that technology is expected to increase comparability and connectivity and reduce administrative burden.

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
Reporting boundary		
Could more clarity or additional guidance on reporting boundary be provided?	Respondents requested more clarity or additional guidance on: • setting boundaries for the purpose of preparing an integrated report • the relationship between the Framework's reporting boundary approach and those in other frameworks • limits that should be applied to assessing opportunities, risks and outcomes attributable to entities and activities outside the financial reporting boundary • how to balance the approach to reporting boundary with the materiality determination process and uncertainty • whether there should be a single reporting boundary or multiple boundaries reflecting the possibility that different material matters might have different reporting boundaries. Some respondents sought reassurance that the reporting boundary approach would not impair comparability of reports due to the scope for judgement that could be applied in defining the reporting boundary.	The relationship of the reporting boundary and materiality was strengthened by moving Section 5G of the Consultation Draft to the Guiding Principle *Materiality* and describing it as key to the materiality determination process (see paragraphs 3.30-3.32 of the Framework. The new Content Element *Basis of preparation and presentation* includes the disclosure-related aspects of the materiality determination process and the reporting boundary for the integrated report (see paragraphs 4.40-4.46). As part of its future work plan, the IIRC will consider projects that further explore aspects of the reporting boundary, including the relationship between materiality and the reporting boundary, and boundary issues related to aspects of value creation, capitals and outcomes.
Use of technology		
Are organizations equipped to fully leverage technology for	Some noted that neither report preparers nor providers of financial capital are prepared to effectively leverage	Technology is regarded as an enabler of, rather than a prerequisite for, the preparation of an integrated report. It

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
<IR>?	technology for <IR>. Other comments regarding Section 5I *Use of Technology* included: • Concerns that the technologies in Section 5I were too limited • Concerns regarding a disproportionate focus on XBRL • Requests that an interactive data language or taxonomy be prepared by an independent organization	is anticipated that as reporting technologies continue to evolve, and as report preparers become more adept in their application, these technologies will become increasingly important in <IR>. However, as the use of technology relates more to the process that supports report preparation, rather than to the content of that report, the guidance in Section 5I of the Consultation Draft has not been retained.

QUESTIONS 22, 23 AND 24 – OVERALL VIEW

"Recognizing that <IR> will evolve over time, please explain the extent to which you believe the content of the Framework overall is appropriate for use by organizations in preparing an integrated report and for providing report users with information about an organization's ability to create value in the short, medium and long term?

If the IIRC were to develop explanatory material on <IR> in addition to the Framework, which three topics would you recommend be given priority and why?

Please provide any other comments not already addressed by your responses to Questions 1 – 23."

70%, 72% and 28% of respondents provided feedback to Questions 22, 23 and 24, respectively. Responses relating to matters other than the development of the Framework (e.g., evolution of <IR> and the future role of the IIRC) and issues dealt with in other questions have not been captured here.

RESPONDENTS' ISSUE	CONSIDERATIONS	CONCLUSIONS
Framework complexity		
Can the Framework be simplified?	Respondents called for a simplification of the Framework through greater use of plain language, more concise explanations, elimination of duplication, clear definitions for fundamental terminology and tools or icons to help navigate the document.	The Framework has been revised to improve clarity, make the structure more logical and enhance connections between Framework concepts.
Value creation story		
Is the term "value creation story" appropriate for a corporate reporting framework?	While the word "story" was intended to capture the dynamic and integrative nature of the information in an integrated report, and is commonly used in mass media, some respondents expressed concern over its suitability in the Consultation Draft, stating that it has the potential to introduce nuances of "spin" or bias and that on its own, the word "story" is often equated with fiction or fable.	The term "value creation story" has been removed from the Framework.

APPENDIX

MAPPING OF CONSULTATION DRAFT TO INTERNATIONAL <IR> FRAMEWORK

The purpose of this Appendix is to highlighting significant changes in structure and movements of text between the Consultation Draft and the Framework.

Significant structural changes

Significant structural changes include:

- including a new section *About Integrated Reporting* at the front of the Framework dealing with the process of <IR> and integrated thinking, allowing the main parts of the Framework to focus on the preparation of an integrated report
- removing the section *Summary of Principles-Based Requirements* as it duplicated other Framework sections and caused confusion with Chapter 1: *Overview*
- diving the Framework into two main parts, with two chapters in each
- merging the concepts in Chapter 5: *Preparation and Presentation* into other chapters to reduce duplication and enhance connections between Framework concepts
- summarizing the requirements in an Appendix.

The new structure of the Framework is:

About Integrated Reporting
Executive summary
Part I: Introduction
        Chapter 1: Using the Framework
        Chapter 2: Fundamental concepts
Part II: The integrated report
        Chapter 3: Guiding Principles
        Chapter 4: Content Elements
Glossary
Appendix—Summary of requirements

Significant movements of text

The following table maps sections and paragraphs from the Consultation Draft to the International <IR> Framework (or notes whether they have been removed).

CONSULTATION DRAFT LOCATION	LOCATION IN INTERNATIONAL <IR> FRAMEWORK	FRAMEWORK PARAGRAPH NUMBER
Chapter 1: Overview		
Integrated reporting <IR> defined (paragraphs 1.2-1.4)	Moved: references to the process of <IR> and integrated thinking have been moved a new section *About Integrated Reporting* at the front of the Framework	*About Integrated Reporting*
	Replacement: 1A *Integrated report defined*	
Objectives of <IR> (paragraph 1.5)	Moved: references to the process of <IR> and integrated thinking have been moved a new section *About Integrated Reporting* at the front of the Framework	*About Integrated Reporting*
Audience for <IR> (paragraphs 1.6-1.8)	Renamed: 1C *Purpose and users of an integrated report*	1.7-1.8
	Replacement: paragraphs 1.6-1.8 were replaced with a discussion focused on the primary purpose and intended users of an integrated report	
Objective of the Framework (paragraphs 1.9-1.10)	New location: 1B *Objective of the Framework*	1.3-1.4
	Objective updated to focus on the process of preparing an integrated report, as opposed to the process of Integrated Reporting	
Application of the Framework (paragraphs 1.11-1.12)	New location: 1F *Application of the Framework*	1.17-1.18
	Wording of bullet points amended to recognize the difference of non-disclosure between the unavailability of reliable data or specific legal prohibitions, and where disclosure of material information would	

CONSULTATION DRAFT LOCATION	LOCATION IN INTERNATIONAL <IR> FRAMEWORK	FRAMEWORK PARAGRAPH NUMBER
	cause significant competitive harm	
A principles-based approach (paragraphs 1.13-1.14)	New location: 1D *A principles-based approach*	1.9-1.10
Integrated thinking (paragraphs 1.15-1.17)	Moved: references to the process of <IR> and integrated thinking have been moved a new section *About Integrated Reporting* at the front of the Framework	*About Integrated Reporting*
Interaction with other reports and communications (paragraphs 1.18-1.20)	Renamed: 1E *Form of report and relationship with other information*	1.12-1.16
	Section rewritten to provide further guidance and clarification	
	Added: Additional bold italic type requirement added; "An integrated report should be a designated, identifiable communication"	

Chapter 2: Fundamental Concepts

2A *Introduction* (paragraphs 2.1-2.11)	Split between: 2A *Introduction* and 2D *The value creation process*	2.2-2.3, 2.20-2.29
	Removed: Figure 2, paragraphs 2.3 and 2.4 as not considered necessary for the Framework	n/a
	Moved: Figure 3 with modification to 2D *The value creation process*	Figure 2
2B *The capitals* (paragraphs 2.12-2.25)	New location: 2C The capitals	2.10-2.19
	Moved: paragraphs 2.22 and 2.25 to 4I *General reporting guidance*	4.54-4.56
	Moved: paragraph 2.24 to 1D *A principles-based approach*	1.12
	Removed: Figure 4: the visual depiction of the capitals and paragraph 2.23 as not	n/a

CONSULTATION DRAFT LOCATION	LOCATION IN INTERNATIONAL <IR> FRAMEWORK	FRAMEWORK PARAGRAPH NUMBER
	considered necessary for the Framework	
2C *The business model* (paragraphs 2.26-2.36)	Split between: 2D *The value creation process* and Content Elements 4C *Business Model* (previously 4E)	2.23-2.25, 4.10-4.20
	Removed: paragraph 2.27 and explanatory bullet points of paragraph 2.28 as not considered necessary for the Framework	n/a
2D *Value creation* (paragraphs 2.37-2.45)	Discussion significantly modified	
	Added: New diagram (Figure 1) and discussion on value created for the organization and for others	2.4-2.6
	Moved: paragraphs 2.43 and 2.44, as revised, to 2B *Value creation for the organization and for others*	2.7-2.9
	Removed: paragraphs 2.37 to 2.42 and 2.45 with the revisions to value creation discussion	n/a

Chapter 3: Guiding Principles

3A *Strategic focus and future orientation* (paragraphs 3.2-3.6)	3A *Strategic focus and future orientation*	3.3-3.5
	Moved: paragraph 3.5 to 4I *General reporting guidance*	4.52
	Moved: paragraph 3.6 to 3G *Consistency and comparability*	3.53
3B *Connectivity of information* (paragraphs 3.7-3.12)	3B *Connectivity of information*	3.6-3.9
	Removed: paragraph 3.8 as not considered necessary for the Framework	n/a
3C *Stakeholder responsiveness* (paragraphs 3.13-3.21)	Renamed: 3C *Stakeholder relationships*	3.10-3.16
	Removed: paragraphs 3.17 and portion of paragraph 3.19 as not considered necessary for the Framework	n/a

CONSULTATION DRAFT LOCATION	LOCATION IN INTERNATIONAL <IR> FRAMEWORK	FRAMEWORK PARAGRAPH NUMBER
3D *Materiality and conciseness* (paragraphs 3.22-3.29)	Split: into two Content Elements: 3D *Materiality* and 3E *Conciseness*, and allocated paragraph 3.29 to 3E *Conciseness*	3.17-3.20 3.36-3.38
	Removed: paragraphs 3.23 and 3.24 on the definition of materiality, and paragraph 3.28 on disclosure as not considered necessary for understanding the Framework	n/a
3E *Reliability and completeness* (paragraphs 3.30-3.47)	New location: 3F *Reliability and completeness*	3.39-3.53
	Removed: paragraphs 3.39, 3.40, 3.42 and 3.44 as not considered necessary for the Framework	n/a
	Moved: paragraph 3.47 to 4I *General reporting guidance*	4.50
3F *Consistency and comparability* (paragraphs 3.48-3.52)	New location: 3G *Consistency and comparability*	3.54-3.57
	Moved: paragraph 3.50 to 4H *Basis of preparation and presentation*	4.48
Chapter 4: Content Elements		
Paragraphs 4.1-4.5	Added: New Content Element: 4H *Basis of preparation and presentation*, and new Section 4I *General reporting guidance*	4.1-4.3
	Merged: concepts in paragraph 4.4 included in 3E *Conciseness*	3.36-3.37
	Moved / Removed: paragraph 4.5 bold italic type requirements as follows:	
	• The organization's materiality determination process	4.40-4.42
	• The governance body with oversight responsibilities for <IR>	1.20
	• The reporting boundary and how it has been determined	4.40-4.41, 4.43-4.46

CONSULTATION DRAFT LOCATION	LOCATION IN INTERNATIONAL <IR> FRAMEWORK	FRAMEWORK PARAGRAPH NUMBER
	• The nature and magnitude of the material trade-offs that influences value creation over time	4.56
	• The reason why the organization considers any of the capitals identified in this Framework to be immaterial given its particular circumstances, if that is the case	Removed
4A *Organizational overview and external environment* (paragraphs 4.6-4.9)	No significant changes	4.4-4.7
4B *Governance* (paragraphs 4.10-4.12)	4B *Governance*	4.8-4.9
	Removed: paragraph 4.12 as covered by preceding paragraph	n/a
4C *Opportunities and risks* (paragraphs 4.13-4.17)	Renamed: 4D *Risks and opportunities*	4.23-4.26
	Moved: paragraph 4.16 to 4I *General reporting guidance*	4.52
4D *Strategy and resource allocation* (paragraphs 4.18-4.20)	New location: 4E *Strategy and resource allocation*	4.27-4.29
4E *Business model* (paragraphs 4.21-4.26)	New location: 4C *Business model*	
	Restructured to bring in text from the *Fundamental concepts* in Chapter 2C *Business Model*, and to centre the discussion around the business model flow in Figure 2: The value creation process of the Framework	4.10-4.22
4F *Performance* (paragraphs 4.27-4.32)	4F *Performance*	4.30-4.33
	Moved: paragraphs 4.31 and 4.32 to 4I *General reporting guidance*	4.53, 4.55
4G *Future outlook* (paragraphs 4.33-4.37)	Renamed: 4G *Outlook*	4.34-4.38
	Added: paragraph on taking into account the legal or regulatory requirements	4.39

CONSULTATION DRAFT LOCATION	LOCATION IN INTERNATIONAL <IR> FRAMEWORK	FRAMEWORK PARAGRAPH NUMBER
Chapter 5: Preparation and presentation		
5A *Frequency of reporting* (paragraph 5.2)	Removed: paragraph 5.2 as revised concept introduced in 1E *Form of report and relationship with other information*	1.15-1.17
5B *The materiality determination process* (paragraphs 5.3-5.13)	New location: 3D *Materiality* and 4H *Basis of preparation and presentation*	
	Moved: paragraphs 5.4 to 5.9 and 5.12 to 3D *Materiality*	3.21-3.28
	Moved: paragraph 5.13 to 4H *Basis of preparation and presentation*	4.42
	Removed: paragraphs 5.3, 5.10, and 5.11 as not considered necessary for a principles-based framework	n/a
5C *Disclosure of material matters* (paragraphs 5.14-5.16)	Moved: paragraph 5.14 to 3D *Materiality*	3.29
	Moved: paragraphs 5.15 and 5.16 to 4I *General reporting guidance*	4.50-4.51
5D *Involvement of those charged with governance* (paragraphs 5.17-5.18)	Moved: paragraph 5.17 to 3F *Reliability and completeness*	3.41
	Moved: paragraph 5.18, as revised, to 1G *Responsibility for an integrated report*	1.20
5E *Credibility* (paragraphs 5.19-5.21)	Moved: paragraphs 5.19 and 5.20 merged with Guiding Principle 3F *Reliability and completeness*	3.40
	Removed: paragraph 5.21 as not considered necessary for the Framework	n/a
5F *Timeframes for short, medium and long term* (paragraphs 5.22-5.24)	New location: 4I *General reporting guidance*	4.57-4.59
5G *Reporting boundary* (paragraphs 5.25-5.30)	New location: 3D *Materiality*	3.30-3.35
	Moved: paragraphs 5.25 to 5.30 to 3D *Materiality*	

CONSULTATION DRAFT LOCATION	LOCATION IN INTERNATIONAL <IR> FRAMEWORK	FRAMEWORK PARAGRAPH NUMBER
5H *Aggregation and disaggregation* (paragraphs 5.31-5.34)	New location: 4I *General reporting guidance*	4.60-4.62
	Removed: paragraph 5.34 as not considered necessary for the Framework	n/a
5I *Use of technology* (paragraphs 5.35-5.41)	Removed: paragraphs 5.35 to 5.41 as not considered necessary to the preparation of an integrated report under the Framework	n/a

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