

News Release

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“The world has changed – reporting must too”

Business and investment leaders today call for a new approach to corporate reporting in a landmark Discussion Paper, called *Towards Integrated Reporting – Communicating Value in the 21st Century*, published by the International Integrated Reporting Committee (IIRC).

Integrated Reporting will provide more comprehensive and meaningful information about all aspects of an organization’s performance and position, presented in a much clearer, more concise and more user friendly format. In particular it will demonstrate the links between an organization’s financial performance and the social, environmental and economic context within which it operates.

The development of Integrated Reporting is designed to enhance and consolidate existing reporting practices to move towards a reporting framework that provides the information needed to develop the global economic model to meet the challenges of the 21st century.

Integrated Reporting will be clear and comprehensible, providing a meaningful assessment of the long term viability of an organization, meeting the information needs of investors and other stakeholders and supporting the effective allocation of financial, manufactured, human, intellectual, natural and social capital.

Sir Michael Peat, Chairman of the IIRC, says:

“The range of issues – economic, environmental and social – which determine an organization’s success has never been broader or more pressing. It is for this reason that we need an approach to reporting that is fit-for-purpose in the 21st century. The world has changed – reporting must too.

“All matters which are important in assessing an organization’s performance and position, past and prospective, need to be reported but not by making annual reports ever longer and more complex – they are too long already. The information needs to be provided clearly and

concisely with the connections between financial, environmental and social impacts demonstrated and the clutter removed. This is what Integrated Reporting seeks to achieve.”

The discussion paper *Towards Integrated Reporting – Communicating Value in the 21st Century* presents the rationale for Integrated Reporting, offering initial proposals for the development of an International Integrated Reporting Framework and outlining the next steps towards its creation and adoption. Its purpose is to prompt input from all those with a stake in better reporting, including producers and users of reports.

Professor Mervyn King, Deputy Chairman of the IIRC, says:

“The IIRC’s approach is one that will present a globally co-ordinated solution to reporting, avoiding the current problems with reporting requirements in different jurisdictions developing in different directions and at different speeds. Integrated Reporting reduces the compliance burden and enables more effective decision-making for investors and other stakeholders.”

Sir Michael concludes:

“I hope that corporate reporting stakeholders will feel able to support the development of Integrated Reporting and the work of the IIRC by contributing to this consultation process. The initiative to introduce a global Integrated Reporting framework is ambitious in vision and scope but the prize is considerable.”

The Integrated Reporting Discussion Paper and further information can be found at www.theiirc.org

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Notes to editors

1. The International Integrated Reporting Committee (IIRC) was established in August 2010 by The Prince's Accounting for Sustainability Project, the Global Reporting Initiative and the International Federation of Accountants.
2. Sir Michael Peat is Chairman of the IIRC and Principal Private Secretary to TRH The Prince of Wales and The Duchess of Cornwall.
3. Professor Mervyn King is Deputy Chairman of the IIRC and Chairman of the Global Reporting Initiative.
4. The IIRC brings together a cross section of representatives from the corporate, investor, accounting, securities, regulatory, and standard-setting communities to oversee the development of an 'integrated reporting model' that will reflect the interconnected nature of economic, environmental, social and governance factors in organizations' annual reporting.

Details of current members can be found at www.theiirc.org/the-iirc.

5. The deadline for providing feedback on the Integrated Reporting Discussion Paper is Wednesday 14th December. The IIRC will also be commencing a pilot programme in October 2011 to road test this framework.