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**Integrated Reporting and Connectivity Council**

Date **9 November 2023**  
Project **Integrated Reporting and Connectivity**  
Topic **Report on Progress**  
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This document is prepared for discussion at a meeting of the Integrated Reporting and Connectivity Council (IRCC).

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**Report on Progress – a report to the Integrated Reporting and Connectivity Council from the Chairs of the IASB and ISSB****1. Overall commentary**

We are delighted to provide our latest Report on Progress to members of the Integrated Reporting and Connectivity Council (IRCC) which focuses on relevant activities since our last IRCC meeting on 25 April 2023. You will find more details in the table below.

2023 has, of course, been a momentous year. The launch of IFRS S1 and S2 in June, and the subsequent endorsement by IOSCO, means that the ISSB has moved from technical development to market implementation mode. Thank you to IRCC members for your support and attendance at the numerous launches held around the world. We are also pleased that so many concepts from the Integrated Reporting Framework were used in the standards – this enhances consistency, enables the ISSB’s standards to benefit from important concepts derived from the Integrated Reporting Framework that underpin the entire focus of the global baseline and eases the path to adoption by companies already using the Integrated Reporting Framework.

The ISSB’s Agenda Consultation requested feedback on an integration in reporting project including whether it should be initiated in the ISSB’s next two year work plan and in what form it might take. This question is relevant to both boards as it also has implications for how the IASB takes forward its project on the Management Commentary Exposure Draft. You can be assured that the analysis process is being conducted objectively and comprehensively and we would expect decisions in the first half of next year. We recognise and value the advice of IRCC members and have scheduled a special meeting on 30 January which will focus on receiving your feedback on the analysis of comments received on the ISSB’s Agenda Consultation ahead of board decisions enabling the boards to benefit from the perspective of the IRCC in their decision making.

Our public statement of May 2022, when we advocated for the continued adoption of integrated reporting and highlighted our commitment to a long-term role for a corporate reporting framework based on the Integrated Reporting Framework, stands today. We see the value integrated thinking brings – connecting our standards to board decision-making, creating the conditions for high quality disclosures and long-term value creation. Thank you for your continued support and engagement and we look forward to a successful IRCC meeting on 9 November.

Yours sincerely,

**Andreas Barckow****Emmanuel Faber**

Chair, IASB

Chair, ISSB

**2. Report on Progress**

Summary of goals	Targets/metrics	Progress achieved since 10 November 2022
<p><b>Ownership of the Integrated Reporting Framework</b> The IR Framework will become part of the materials of the IFRS Foundation and its adoption will be encouraged.</p>	<p><b>Maintain visibility of IR Framework on IFRS Foundation website.</b></p> <p><b>Ensure members of both boards have access to the most up to date messaging on integrated reporting, including presentation slides.</b></p>	<p>1. Updated slides are now available demonstrating the fit between IFRS S1 and S2 and the Integrated Reporting Framework. Further materials will be released at COP 28.</p> <p>2. Members of both boards have made external presentations encouraging IR adoption, including at the IR Conference in Frankfurt, the IFRS Foundation’s conference and in meetings of the IR Communities.</p> <p>3. The IR Framework is well positioned on the IFRS Foundation’s website.</p> <p>4. The ISSB’s Board Advisor Group has now met five times. Nick Anderson, IASB member, has been appointed as observer to enhance connectivity between the boards.</p>
<p><b>Governance and Resourcing</b> Chairs of the IASB and the ISSB undertake that the IASB and ISSB will work together to agree on how to build on and integrate the Integrated Reporting Framework into their standard setting projects.</p>	<p><b>Hold regular meetings with staff and IASB and ISSB leadership to discuss integrated reporting and connectivity.</b></p> <p><b>Integrated reporting will be considered by both the IASB and ISSB</b></p>	<p>5. The Management Commentary and Integrated Reporting teams have merged creating a strengthened team and better lines of communication.</p> <p>6. The Connectivity and Integrated Reporting team reports jointly to the Vice-Chair, ISSB and Vice-Chair, IASB. Regular meetings are held to set objectives and track progress.</p> <p>7. Concepts from the Integrated Reporting Framework were used in the ISSB’s inaugural standards – in particular references to connected information, governance and in explaining how information relevant to investors is inextricably linked to the needs of society and the environment.</p>
<p><b>Communication to the Market</b> The Chairs of the IASB and ISSB will issue a joint statement encouraging the continued use of</p>	<p><b>Update messaging on integrated reporting to reflect latest market trends and expectations.</b></p>	<p>8. An integrated reporting advocacy campaign, initiated in 2022, has produced six blogs, drawing on the practical experience of companies</p>

<p>the Integrated Reporting Framework forming part of an engagement programme by the IFRS Foundation to help market participants to understand the process of transitioning the Integrated Reporting Framework to a resource owned by both the IASB and the ISSB.</p>	<p><b>Engagement with all 22 IR country networks at least once per quarter</b></p>	<p>adopting Integrated Thinking and Reporting. Integrated Reporting resources will also be included in the ISSB’s Knowledge Hub which will be launched at COP 28 in early December 2023.</p> <p>9. Work is underway to embed key integrated thinking and reporting resources within the main IFRS Foundation website, further enhancing the quality of communications to the market.</p> <p>10. The Integrated Reporting Communities programme continues to grow with 28 communities now operational. Webinars continue to be held with community leaders to build awareness and support adoption.</p> <p>11. A strategy for developing structured and regular engagement with all IR Communities has been completed with communications materials distributed to all community leaders.</p>
<p><b>Building on the Integrated Reporting Framework</b> The IASB and ISSB will utilise principles and concepts from the Integrated Reporting Framework in their standard setting work.</p>	<p><b>Develop education materials for distribution to the market</b></p> <p><b>Demonstrate consideration and use of the IR Framework in the standard-setting work of both boards</b></p>	<p>12. 6. A detailed presentation to the ISSB on the fit between the disclosure requirements in IFRS S1 and IFRS S2 and the Integrated Reporting Framework has led to work being developed to help users of the IR Framework become early adopters of IFRS S1 and IFRS S2.</p> <p>13. The ISSB agenda consultation, which elicited over 400 responses, included a section on integration in reporting with a specific reference to the Integrated Reporting Framework. The technical staff are analysing the responses, the IASB and ISSB will discuss the feedback at a joint board session in early 2024 and decisions by the boards are expected in the first half of 2024.</p>
<p><b>Integrated Reporting Framework – long-term vision</b> The Chairs of the IASB and ISSB commit to a long-term role for a corporate reporting framework, incorporating principles and</p>	<p><b>Through updated public messaging, reaffirm the commitment of both board chairs to IR Framework principles and concepts being used in the development of a corporate reporting framework.</b></p>	<p>14. A commitment to a long-term vision for a corporate reporting framework was re-articulated in the updated messaging from both board chairs in November 2022. This</p>

<p>concepts from the Integrated Reporting Framework.</p>		<p>continues to be the basis of our message to the market.</p>
<p><b>Integrated Reporting Framework and Management Commentary</b> The Chairs of the IASB and ISSB recognise that there are similarities and differences between the Integrated Reporting Framework and Management Commentary and the Chairs of the IASB and the ISSB commit to considering opportunities to address this.</p>	<p><b>Small group meetings with IASB board members will be held to discuss potential areas of alignment between the IR Framework and Management Commentary based on consideration of the similarities and differences between them.</b></p>	<p>15. A comparison study examining the similarities and differences between the IR Framework and Management Commentary Practice Statement was completed. A report of the study was shared with the IRCC at its April meeting.</p> <p>16. In addition to sharing the analysis with IASB members, the ISSB Board Advisor Group on Integrated Reporting also received a detailed briefing.</p>
<p><b>Ownership and use of the Integrated Thinking Principles</b> The Integrated Thinking Principles will become part of the materials of the IFRS Foundation with encouragement for their continued use.</p>	<p><b>Maintain visibility of the Integrated Thinking Principles on IFRS Foundation website.</b></p>	<p>17. A major Integrated Thinking and Reporting conference was held in Frankfurt on 12 June 2023, with keynote speakers drawn from business and market leaders globally. Over 200 participants heard from the Chairs of the IASB and ISSB as well as international business and investment leaders.</p> <p>18. The Integrated Thinking Principles and Getting Started Guide, which were launched on 1 August 2022, have been the focus of blogs and outreach to support adoption.</p> <p>19. Integrated Thinking and Strategy Group has met to raise awareness of the Integrated Thinking Principles and a further webinar will be held in November 2023.</p> <p>20. The staff team are developing updated communications materials on integrated thinking which will form the basis of a new campaign to promote its importance and relevance.</p>
<p><b>The role of the Integrated Reporting Council</b> The Integrated Reporting Council will be repositioned as an advisory body to the IFRS Foundation Trustees and both the IASB and the ISSB. The Council will provide advice on how reporting required by the IASB and the ISSB should be integrated and on how principles</p>	<p><b>Host three IRCC meetings per year</b></p> <p><b>Discussion topics to be developed in consultation with the IASB and ISSBs' leadership</b></p>	<p>21. The IRCC has met twice, in November 2022 and April 2023, with a further meeting to be held on 9 November 2023.</p> <p>22. In August 2023 five seminars for IRCC members were held to discuss the ISSB's Agenda Consultation.</p>

<p>and concepts from the Integrated Reporting Framework should be considered in relevant projects by the IASB and the ISSB.</p> <p>The IRCC will play a crucial role in providing advice and input on the connectivity in the reporting required by the IASB and the ISSB to help ensure the IFRS Foundation can promote a coherent and connected package to jurisdictions, supporting global adoption.</p>		<p>23. Plenary sessions of IRCC meetings will continue to be broadcast and available on the IFRS Foundation’s website.</p>
<p><b>Integrated Reporting brand</b> The integrated reporting brand will be maintained in the short-term. The need for a separate integrated reporting brand over the long-term will be considered at a later date.</p>	<p><b>Ensure the IR brand retains prominence in presentations until a decision is made about its long-term future.</b></p>	<p>24. The integrated reporting brand continues to be used in presentation decks to ensure market awareness that the IR Framework and Integrated Thinking Principles are part of the materials of the IFRS Foundation.</p>

**3. Further information**

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