

Reflections on Corporate Reporting

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International Integrated Reporting Council

5 March, 2019

EU DIRECTIVE

15.11.2014

EN

Official Journal of the European Union

L 330/1

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(Legislative acts)

DIRECTIVES

DIRECTIVE 2014/95/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
of 22 October 2014
amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by
certain large undertakings and groups
 (Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 50(1) thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee ⁽¹⁾,

Acting in accordance with the ordinary legislative procedure ⁽²⁾,

Whereas:

- (1) In its communication entitled 'Single Market Act — Twelve levers to boost growth and strengthen confidence — "Working together to create new growth"', adopted on 13 April 2011, the Commission identified the need to raise to a similarly high level across all Member States the transparency of the social and environmental information provided by undertakings in all sectors. This is fully consistent with the possibility for Member States to require, as appropriate, further improvements to the transparency of undertakings' non-financial information, which is by its nature a continuous endeavour.
- (2) The need to improve undertakings' disclosure of social and environmental information, by presenting a legislative proposal in this field, was reiterated in the Commission communication entitled 'A renewed EU strategy 2011-14 for Corporate Social Responsibility', adopted on 25 October 2011.
- (3) In its resolutions of 6 February 2013 on, respectively, 'Corporate Social Responsibility: accountable, transparent and responsible business behaviour and sustainable growth' and 'Corporate Social Responsibility: promoting society's interests and a route to sustainable and inclusive recovery', the European Parliament acknowledged the importance of businesses divulging information on sustainability such as social and environmental factors, with a view to identifying sustainability risks and increasing investor and consumer trust. Indeed, disclosure of non-financial information is vital for managing change towards a sustainable global economy by combining long-term profitability with social justice and environmental protection. In this context, disclosure of non-financial information helps the measuring, monitoring and managing of undertakings' performance and their impact on society. Thus, the European Parliament called on the Commission to bring forward a legislative proposal on the disclosure of non-financial information by undertakings allowing for high flexibility of action, in order to take account of the multidimensional nature of corporate social responsibility (CSR) and the diversity of the CSR policies implemented by businesses matched by a sufficient level of comparability to meet the needs of investors and other stakeholders as well as the need to provide consumers with easy access to information on the impact of businesses on society.

⁽¹⁾ OJ C 327, 12.11.2013, p. 47.

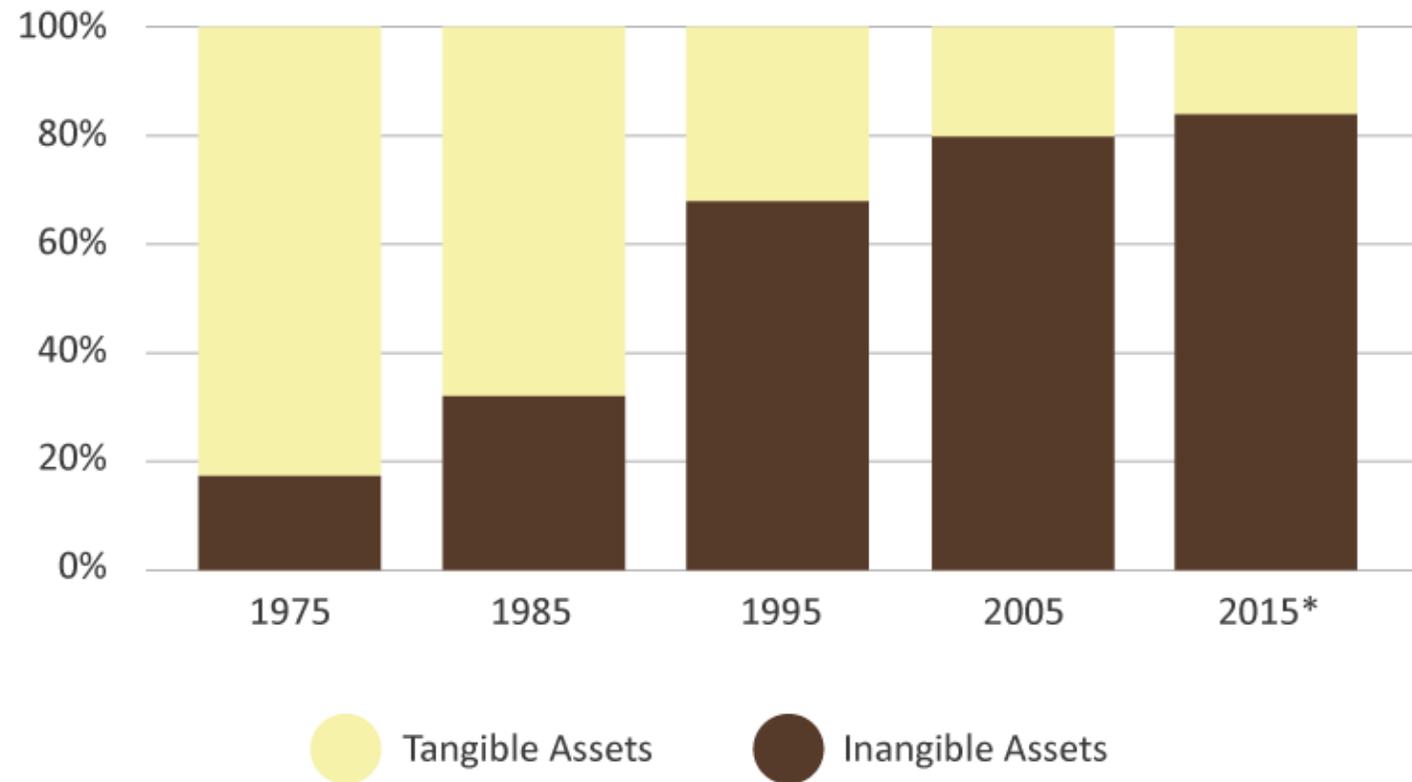
⁽²⁾ Position of the European Parliament of 15 April 2014 (not yet published in the Official Journal) and decision of the Council of 29 September 2014.

Legacy of the Financial Crisis



Source: <https://on.ft.com/2C6nRYS>

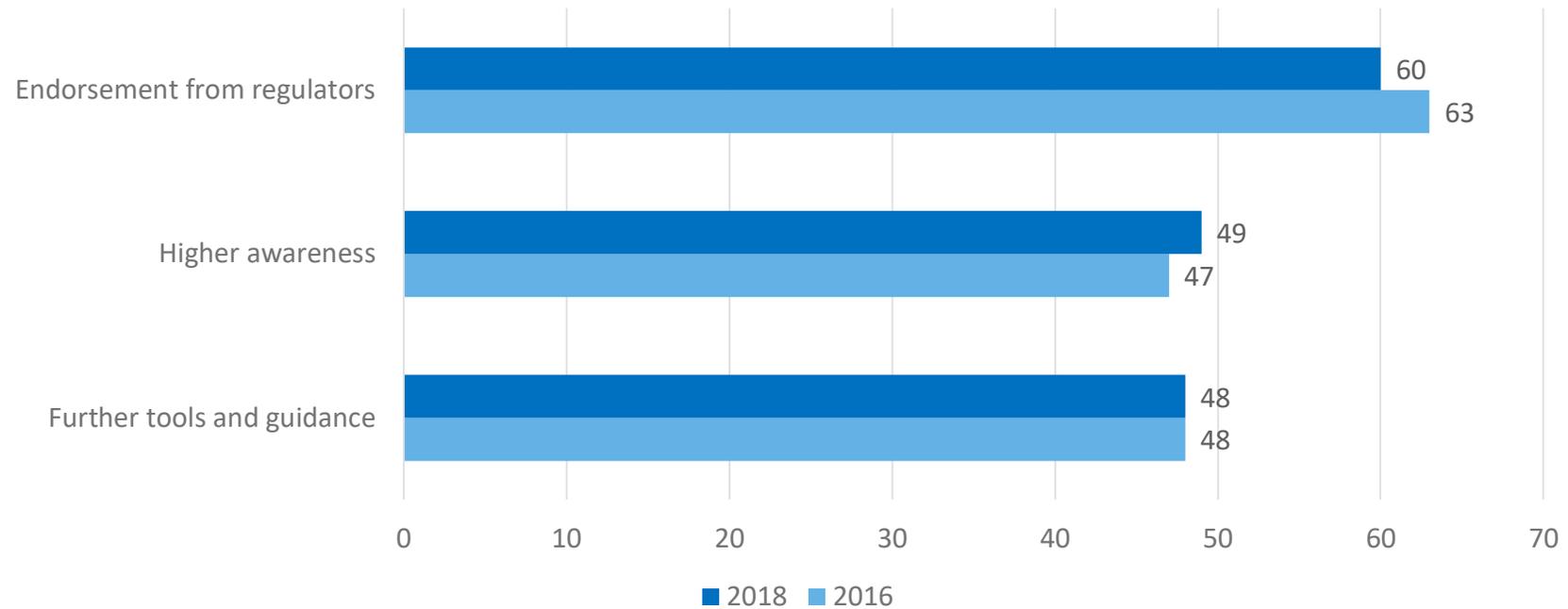
Why <IR>? More than financials



Source: OCEAN TOMO LLC
January, 1, 2015

IIRC Stakeholder Survey Results

Top 3 factors



Not just reporting – changing capital markets



EFRAG

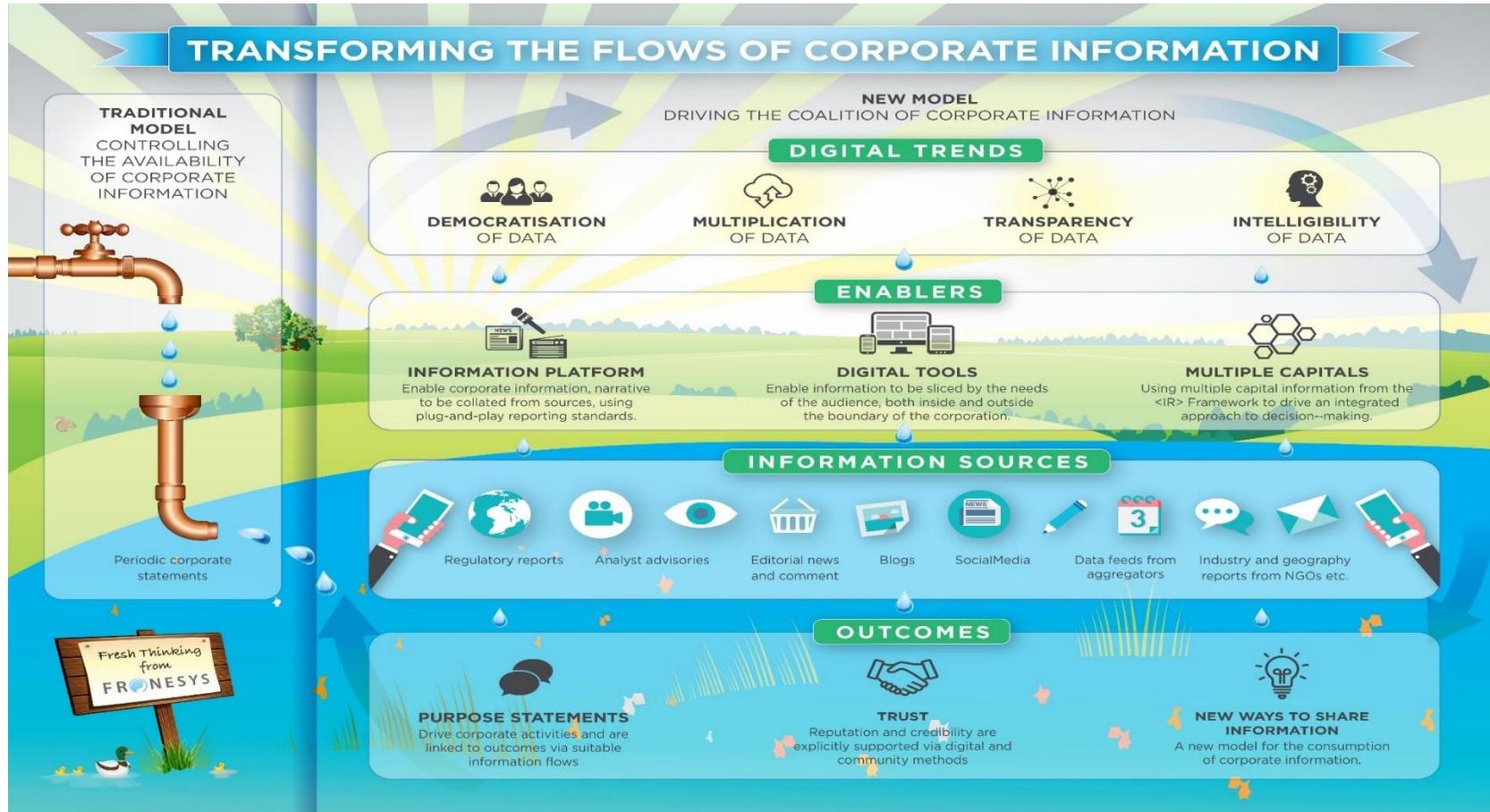


**PRO-ACTIVE ACCOUNTING ACTIVITIES IN EUROPE
PAAinE**

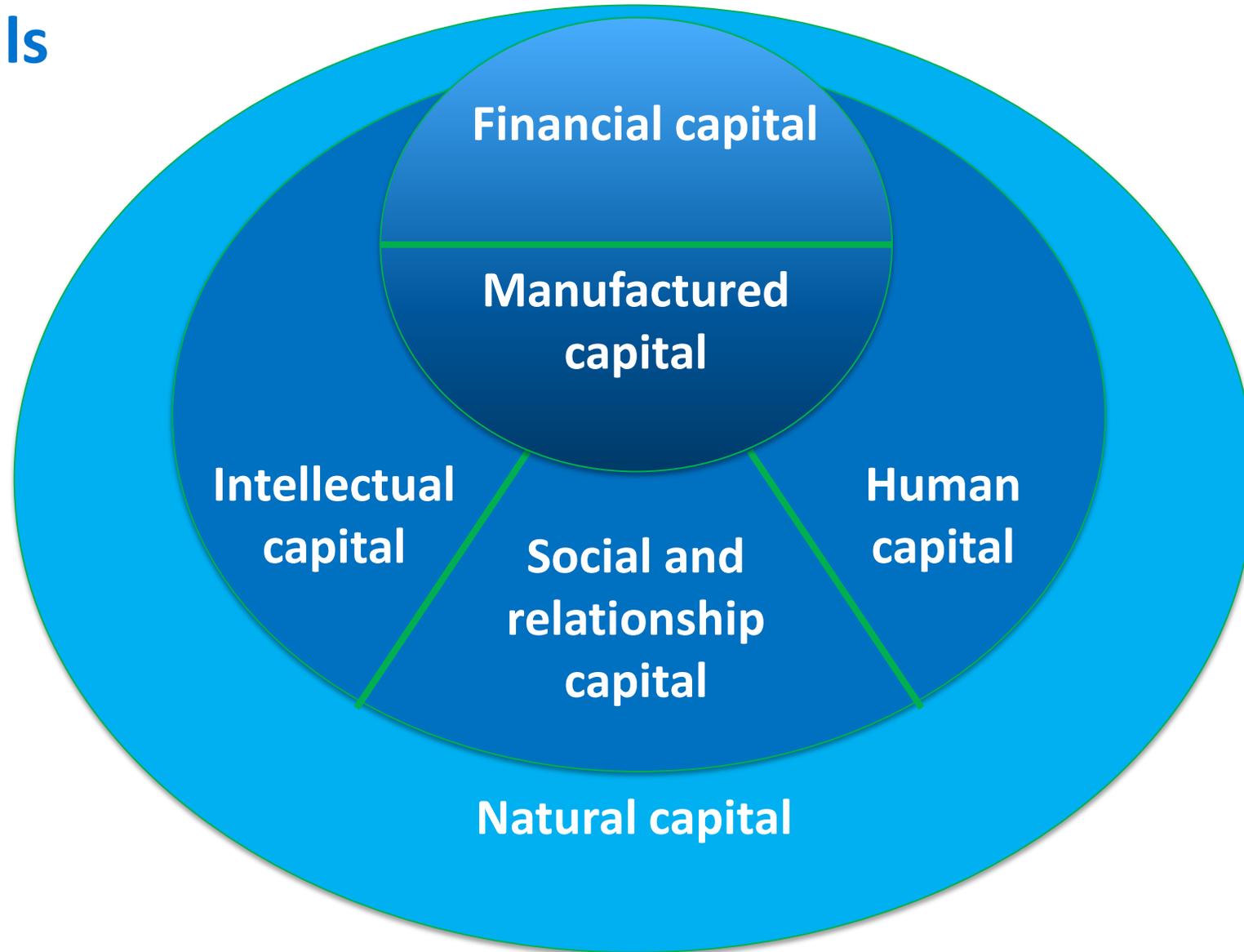
**STEWARDSHIP/ACCOUNTABILITY AS AN
OBJECTIVE OF FINANCIAL REPORTING**
A comment on the IASB/FASB Conceptual Framework Project

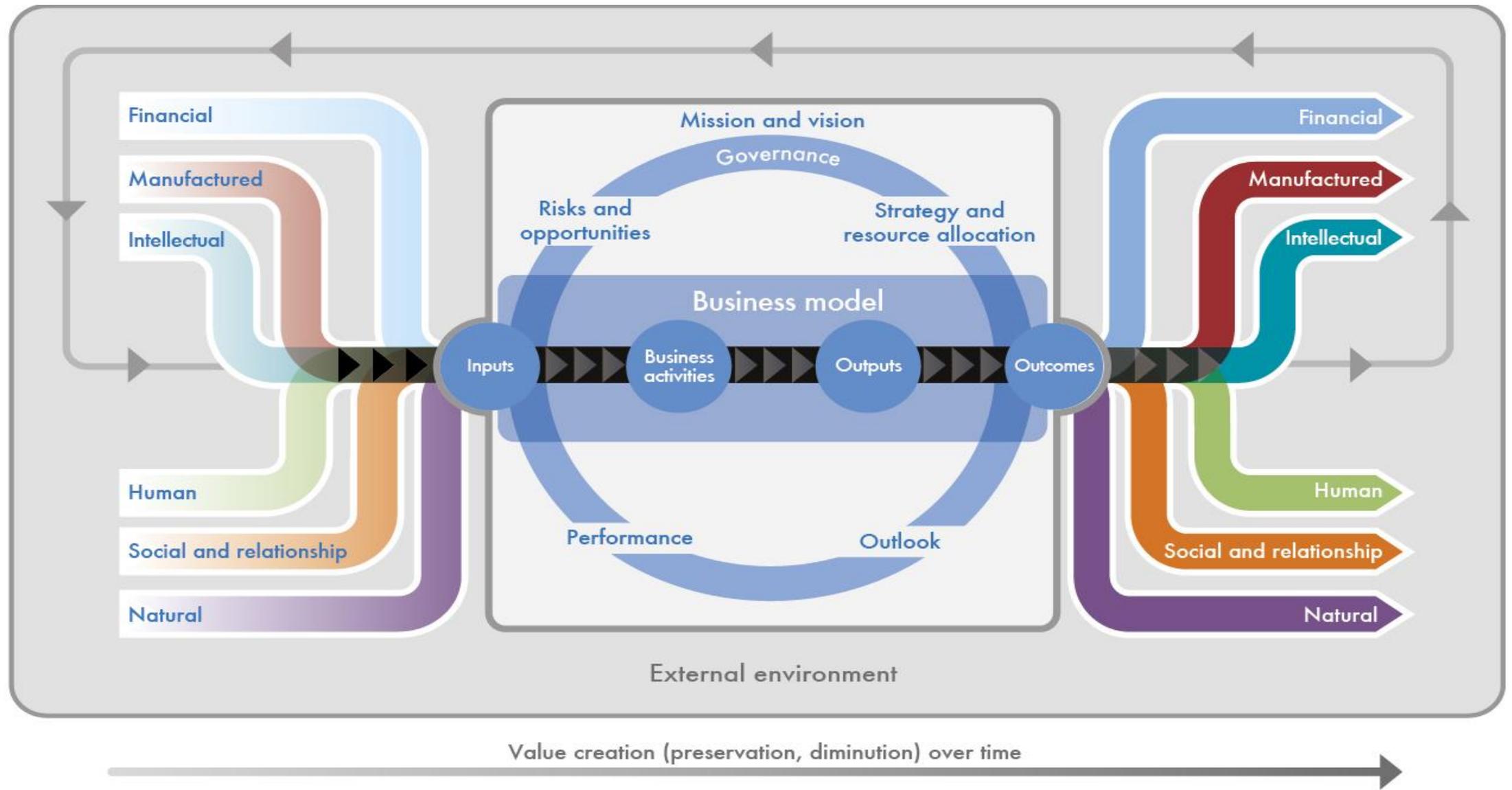
JUNE 2007

Corporate information in the 21st century



The Capitals

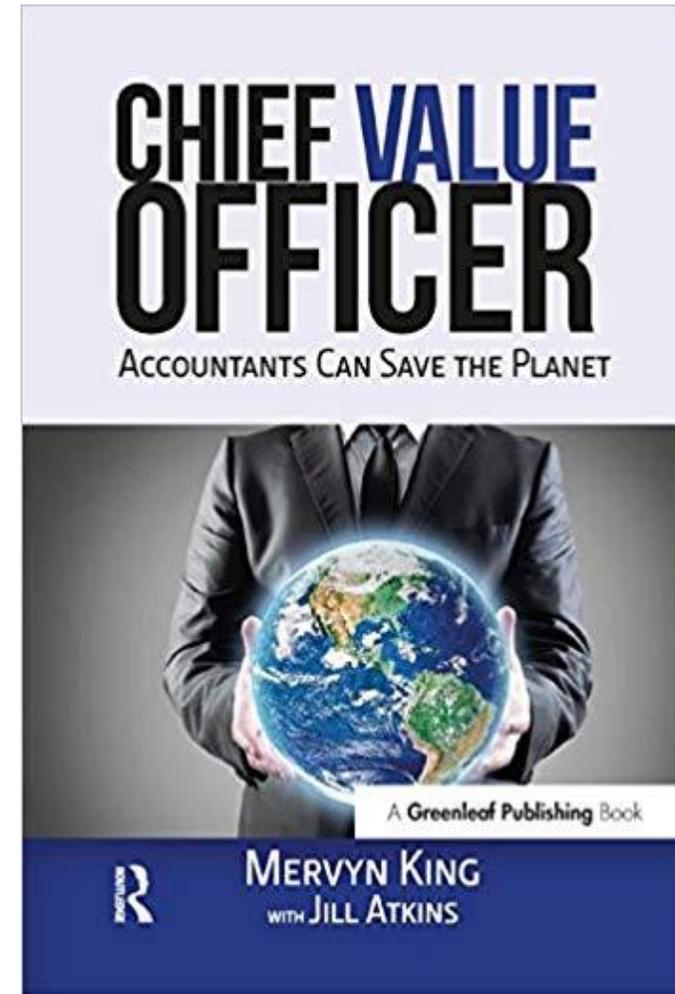
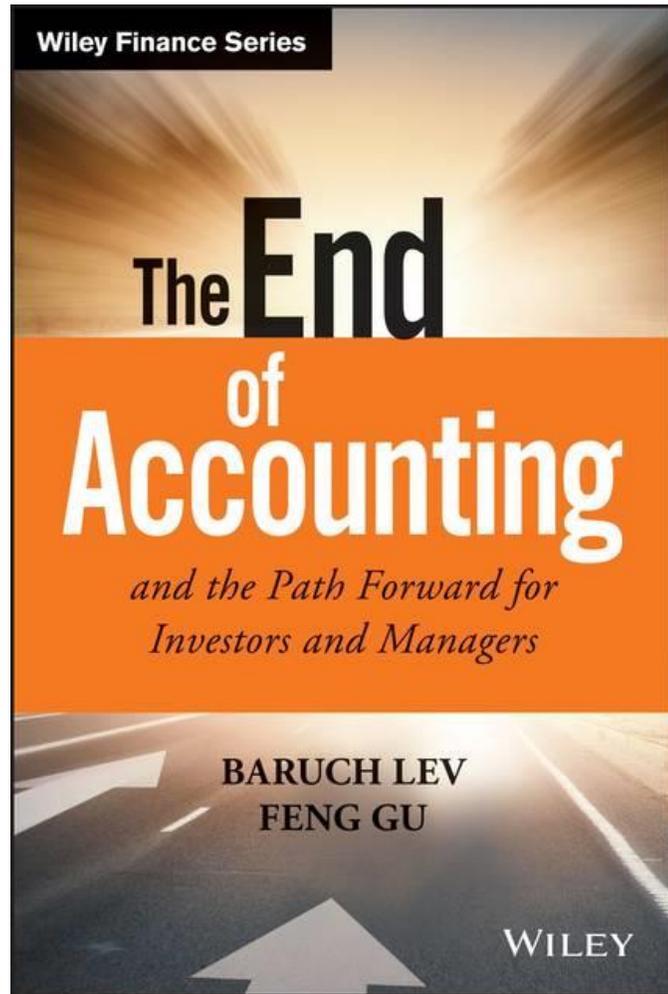




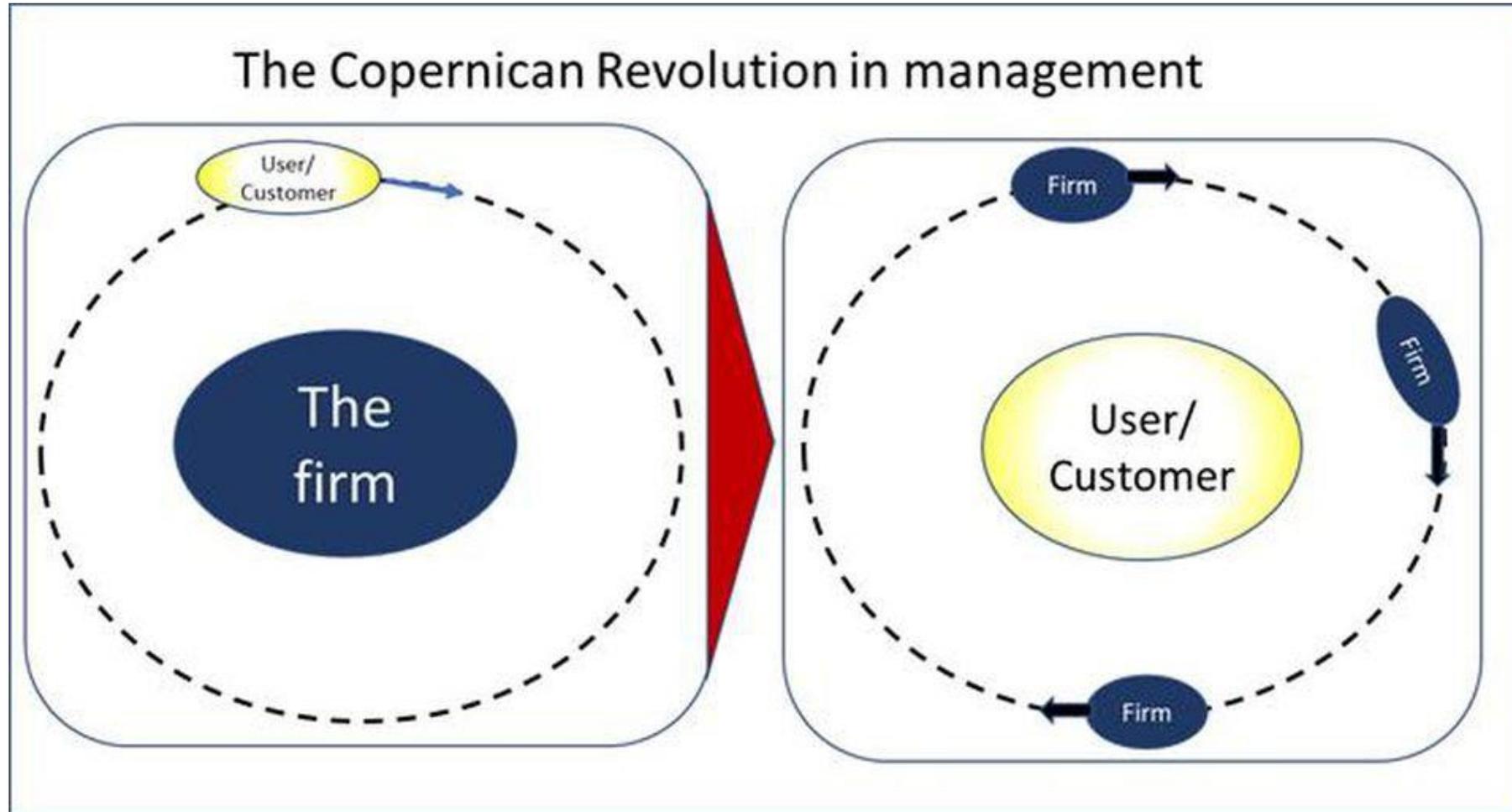


INTEGRATED REPORTING <IR>





'Agile management'



Characteristics of Future Digital Reporting



Introduction

The Digital Future:
Our approach

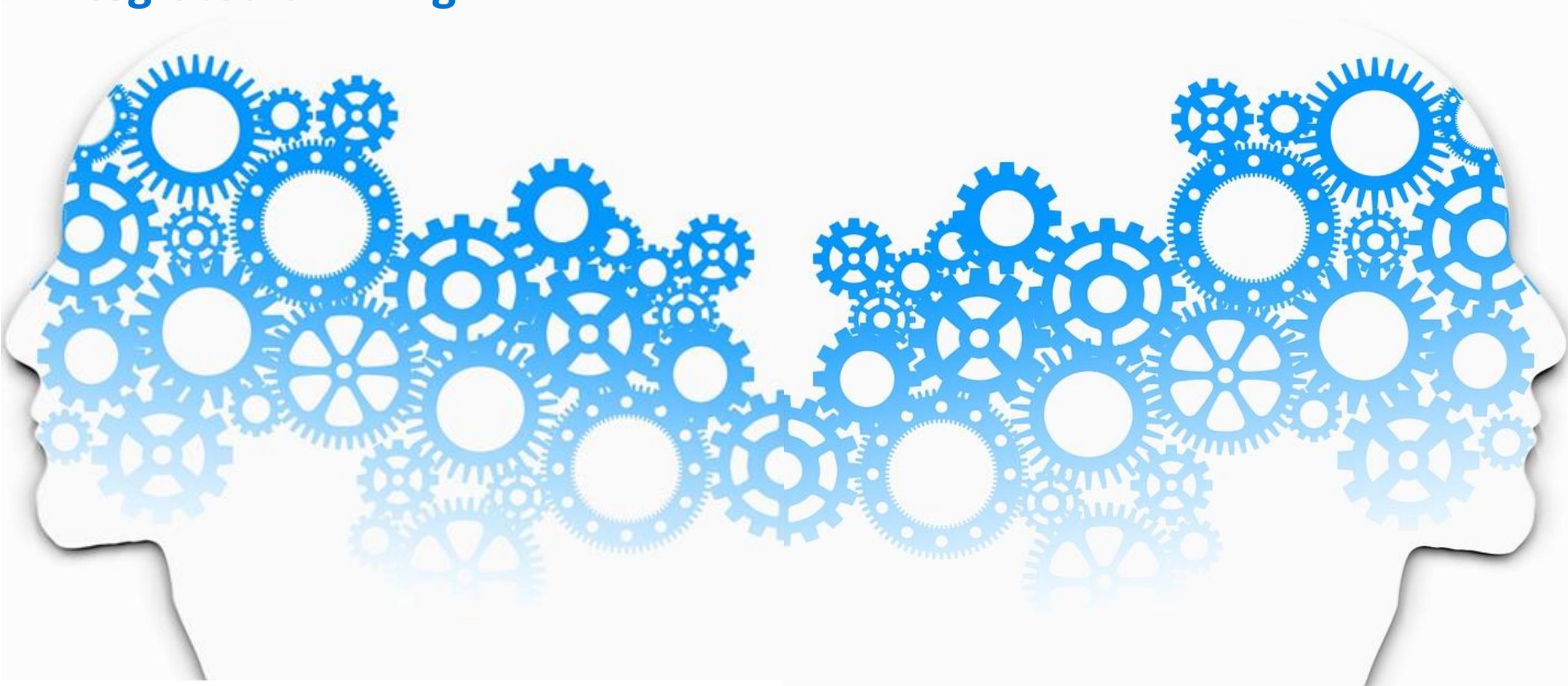
The three stages of reporting

Characteristics of
Future Digital Reporting

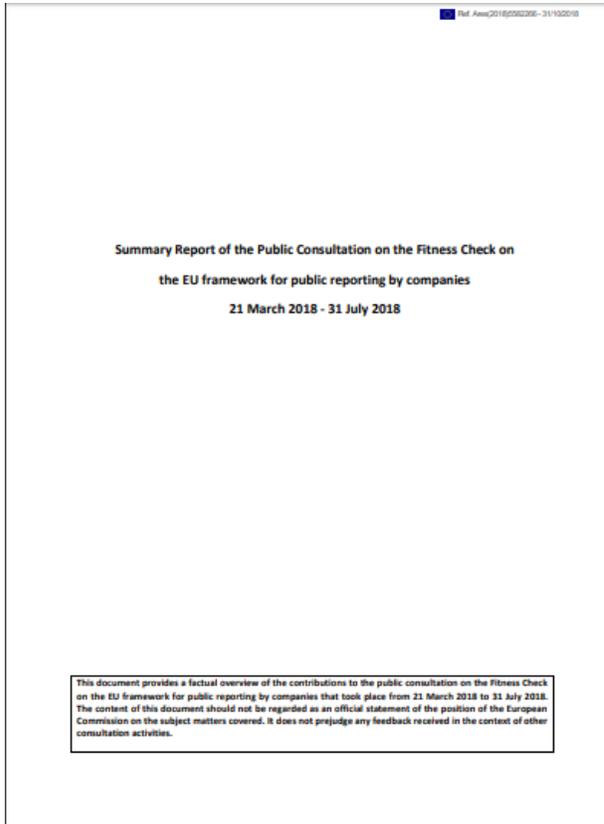
Next steps

Project process
and participation

Integrated thinking



Rooted in EU2030



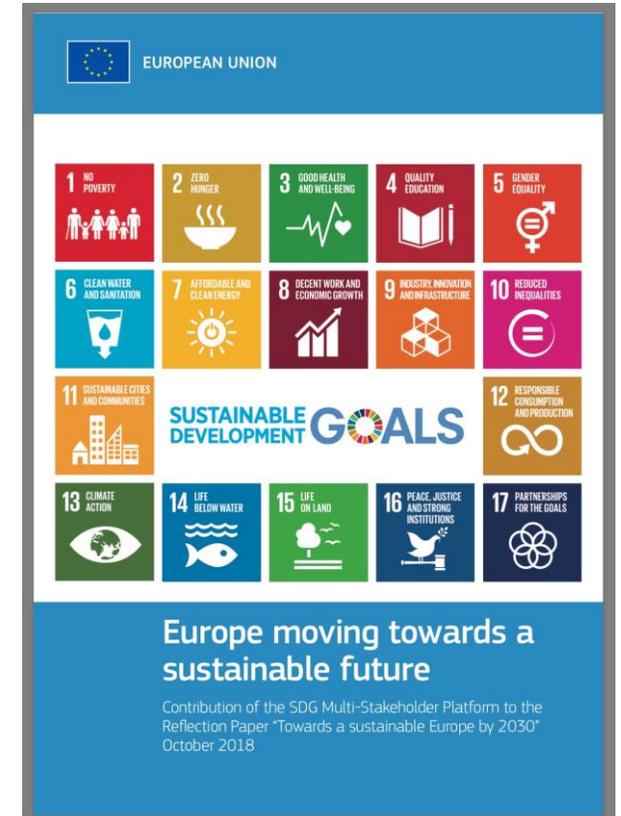
Commission guidelines on non-financial reporting

First published on
26 June 2017

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The [non-financial reporting Directive \(2014/95/EU\)](#) requires large public interest entities with over 500 employees (listed companies, banks, and insurance companies) to disclose certain non-financial information. As required by the directive, the Commission has published [non-binding guidelines](#) to help companies disclose relevant non-financial information in a more consistent and more comparable manner.

- [Text of the communication](#)
- [Press release](#)
- [Frequently Asked Questions](#)





Thank you

Merci