



Annual reporting and stakeholder expectations

March 2018, Felicity Caird
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Observations & trends

1. Stakeholders
2. Telling your story
3. Beyond compliance



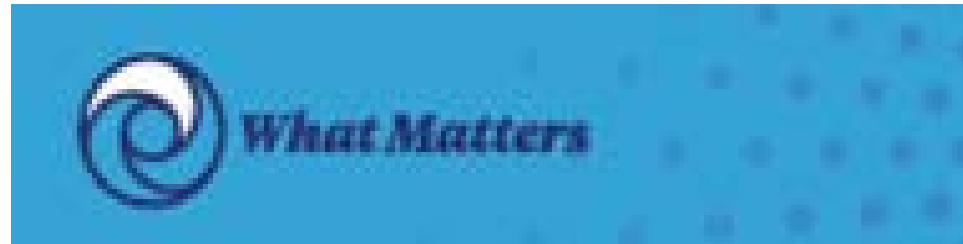
Stakeholders

Who are stakeholders?

- **Investors, shareholders, banks, customers, employees, suppliers, media, ministers, Parliament, citizens, the planet...**
- **Anyone that can have an impact on your business!**

Stakeholders – increasing focus for directors

IoD's first 2018 What Matters theme



Shareholder and stakeholder engagement



Stakeholder interests

91%

said stakeholder interests are very important to their organisation, up from 86% in 2016

IoD/ASB Director Sentiment Survey 2017



Great(er) expectations

BlackRock's CEO, Larry Fink's, 2018 annual letter to CEOs:

“Companies must benefit all of their stakeholders, including shareholders, employees, customers, and communities in which they operate. Without a sense of purpose, no company, either public or private, can achieve its full potential. It will ultimately lose the license to operate from key stakeholders.”



Telling your story

- **More holistic reporting**
- **Revised corporate governance codes**
- **IoD commentary**

Beyond financials – more holistic reporting!

- ***Statement of service performance***
- ***Non-financial performance information***
- ***Sustainability reporting***
- ***Triple bottom line***
- ***Quadruple bottom line***
- ***GRI: Global Reporting Initiative***
- ***Integrated Reporting***
- ***ESG: Environmental, social and governance***
- ***Extended external reporting***
- ***Etc.....***



Updated corporate governance codes



IoD commentary



directorsbrief

November 2015

2015/5: What's the future of corporate reporting?

GOVERNANCE LEADERSHIP CENTRE



Integrated thinking –
a pathway to
greater stakeholder
engagement

DirectorsBrief Issue 1 2018



Beyond compliance

- **Trust and leadership**

Trust is critical

**Crisis in global trust:
Government, media,
business and NGOs**

**Government trusted but
has work to do.**



Questions?

