



KiwiRail 

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AUDIT NZ UPDATE

Integrated Reporting

Outline:

1. What is an Integrated Report
2. Our Report: process we followed
3. What we learned



What is an Integrated Report

- Principles based way of corporate thinking and reporting
- Framework with primary purpose to show how an organisation creates value over time
- Aims to improve quality of information enabling financial stability and sustainability

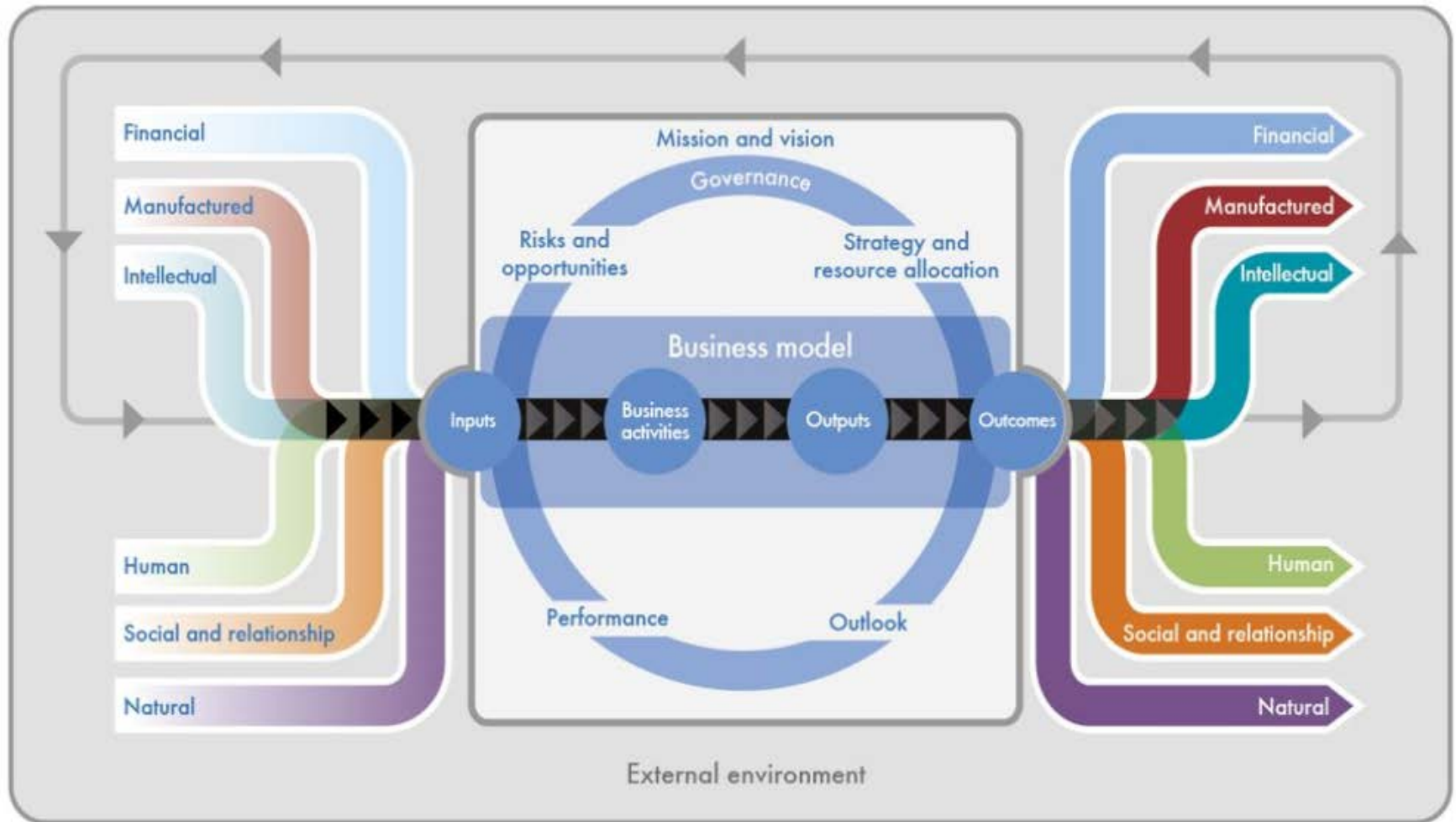
Long range forecast – value creation



Capitals - long term value drivers



Integrated Reporting Framework



Our Report: Getting it off the ground

- first time adopters

Step 1:
A great idea - January



Step 2:
Forming the sales team -
3rd and 4th tier influencers - March



Step 3:
Assess do-ability - March



Step 4:
Sell the idea – Exec buy in April



Step 5:
Form project team - May



Our Report: Forming the IR team

Sponsors:

CFO + GGM Networks
(2 Exec members)

Core Team:

Project Manager - Finance
IR SME - Strategy
Writer – Comms
Designer - Comms

Key supporters:

GM Strategy
GM Finance
Finance team
Comms team
Editor

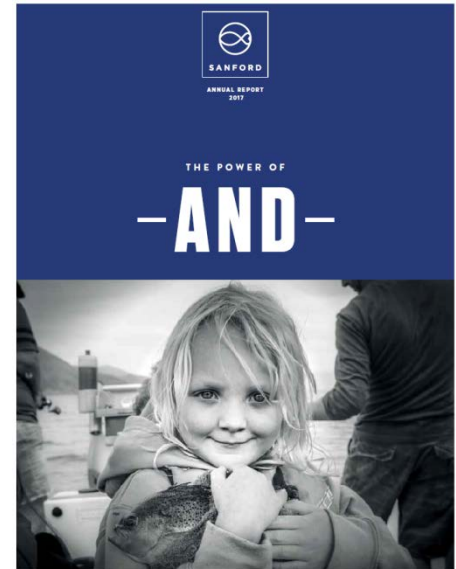
Business Experts – case studies, capitals, fact checking

Our Report: Choosing the right IR approach for KiwiRail

Integrated report format:
The Framework does not require an integrated report to take a Capitals approach

Option 1:
Capitals Approach
e.g. NZ Post

Option 2:
Strategy Approach
e.g. Sanford



Gap analysis

<http://integratedreporting.org/resource/international-ir-framework/>

- Page 34 – summary of requirements
 - Compliance elements
 - Principles
 - Content

- For each requirement we noted the expectation of the framework and how it had been addressed in our report



Process Learnings

- Start early
- Senior leadership sponsorship is key
- Agree milestone expectations
- Book in Exec members in advance
- Share the load
- Keep an open mind
- Doesn't have to be perfect first time
- Design changes everything

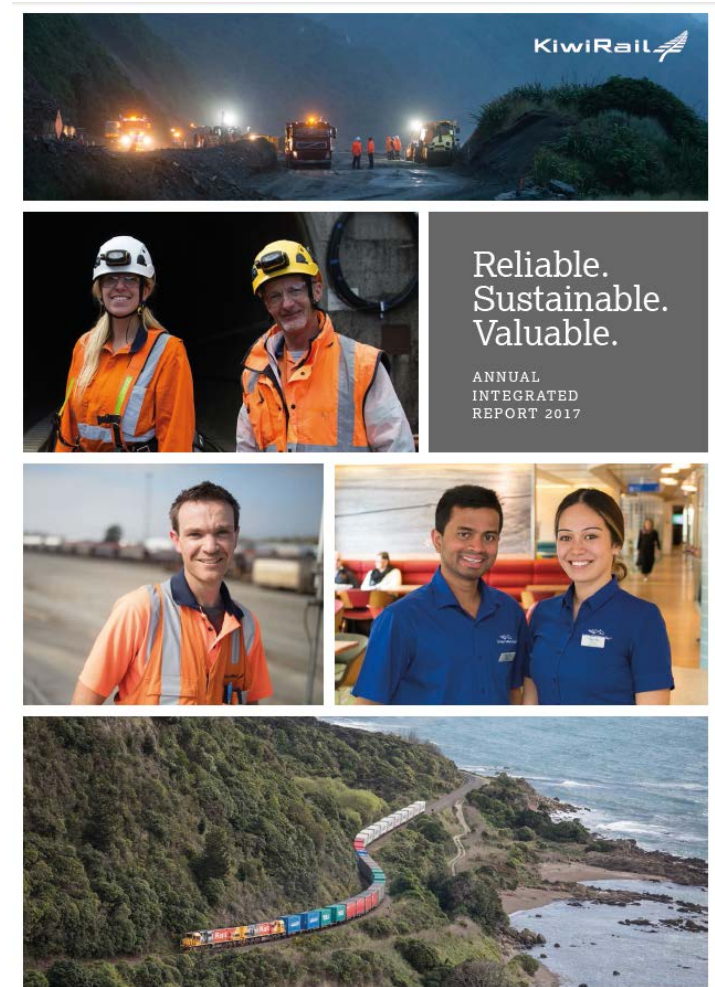
Subject Learnings

- Stakeholder engagement is key
- A comprehensive first report is balanced and contains a good overview
- Subsequent reports should build on previous years



Our 2nd report changes

- Developed our value creation infographic further to better represent our strategy
- Added more outlook
- More balanced – brought KPIs forward, added challenges to each capital
- Stakeholder relationships
- More transparency on Board attendance / remuneration



Awards

- Australasian Reporting Awards
- <http://www.arawards.com.au/>
- Competitive in public sector in Australia
- 2017 NZ public sector gold / silver examples:
 - New Zealand Superannuation Fund
 - Whanganui District Health Board
 - Accident Compensation Corporation
 - Auckland Council
 - New Zealand Department of Corrections
 - New Zealand Post Group
 - Wellington City Council
- 2018 Awards taking place on 20 June



Communication Award – Public Sector 2017

“The elegant design grabs attention and engages readers, from the well presented highlights upfront through to informative case studies that add colour to the story”.

Questions?

