

# Wales Audit Office



INTEGRATED REPORTING <IR>

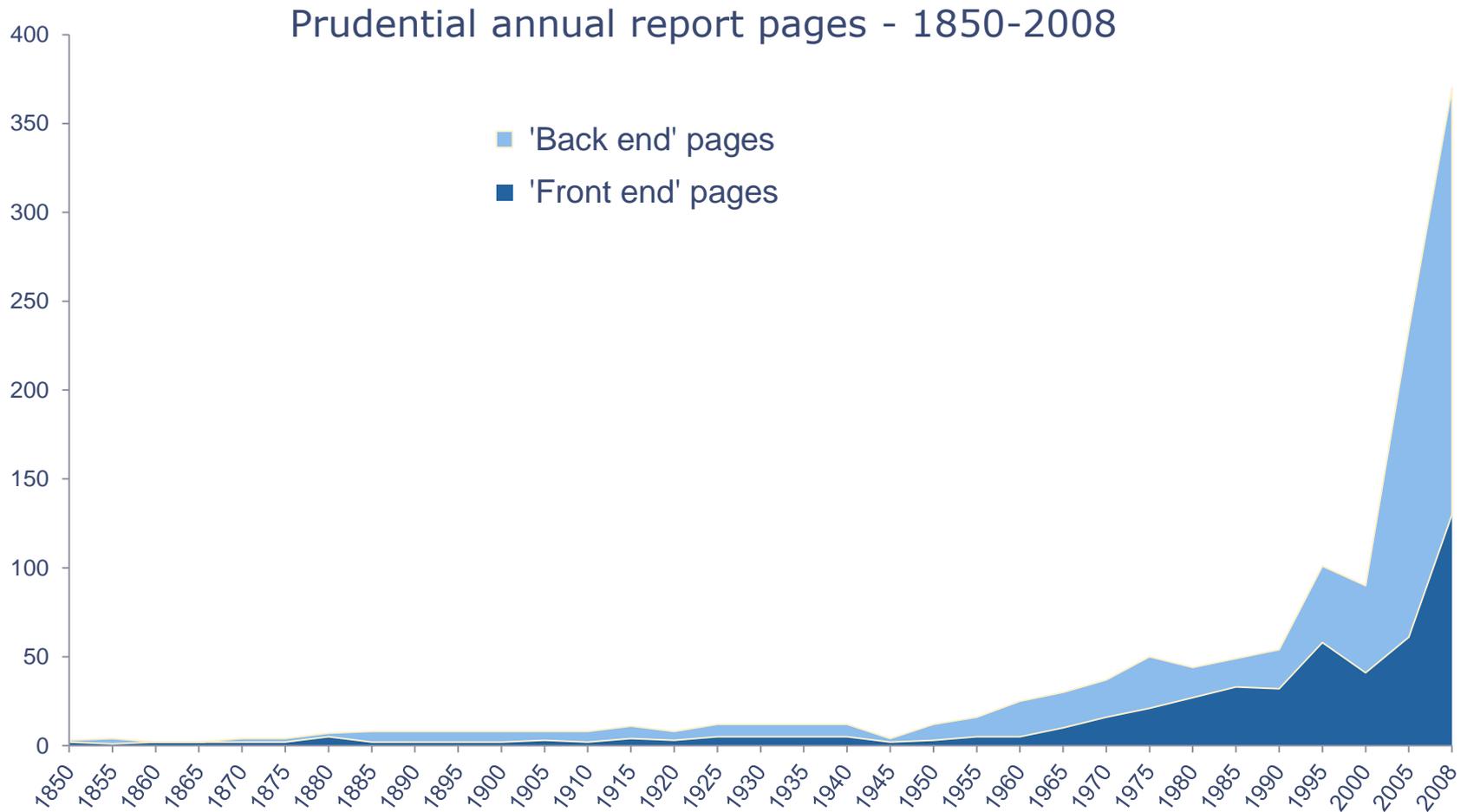
# Who is the IIRC?



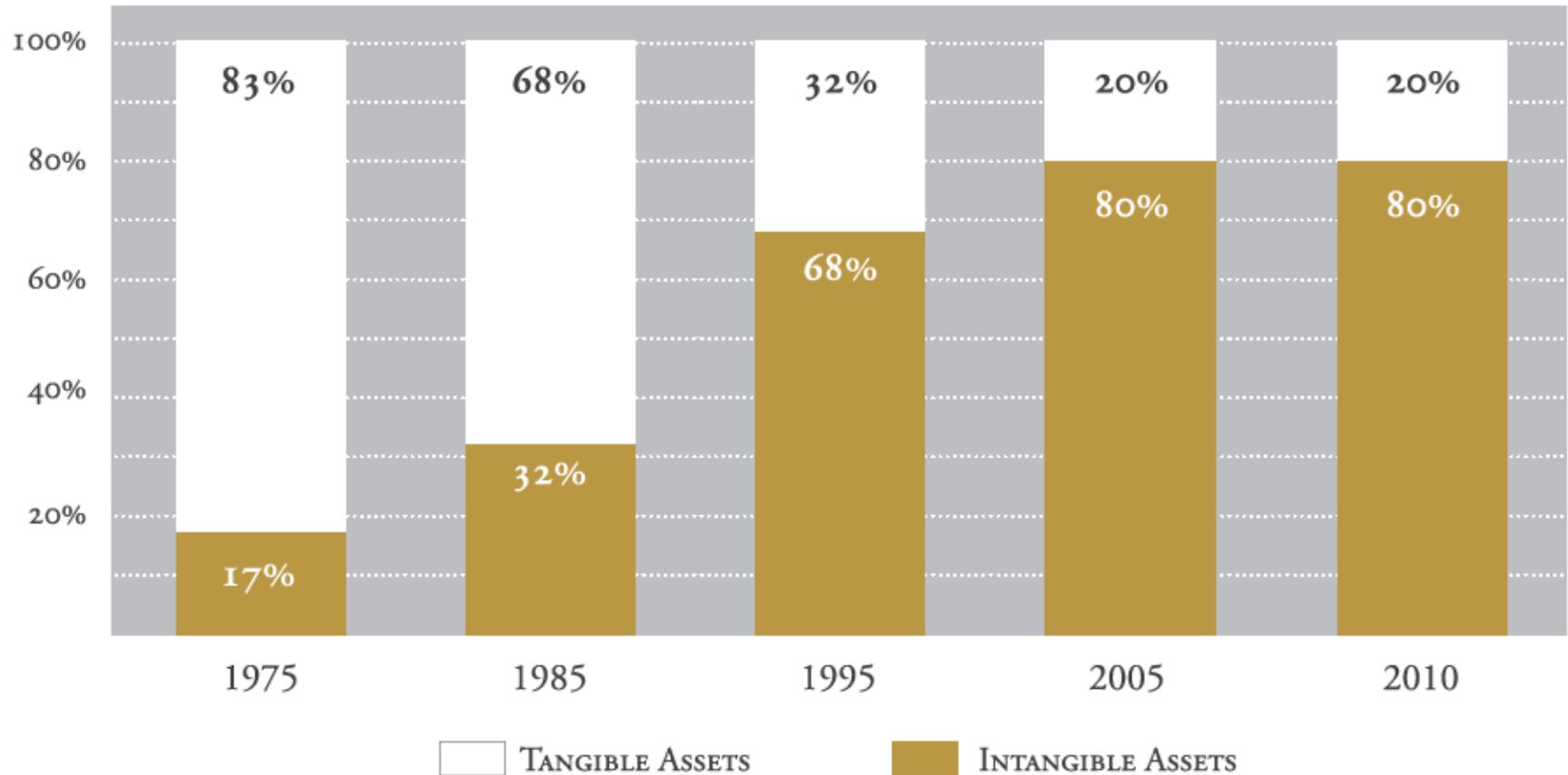
Chair: Prof Mervyn King  
CEO: Paul Druckman

Our long-term vision is a world in which integrated thinking is embedded within mainstream business practice in the public and private sectors, facilitated by <IR> as the corporate reporting norm.

The cycle of integrated thinking and reporting, resulting in efficient and productive capital allocation, will act as forces for **financial stability** and **sustainability**.



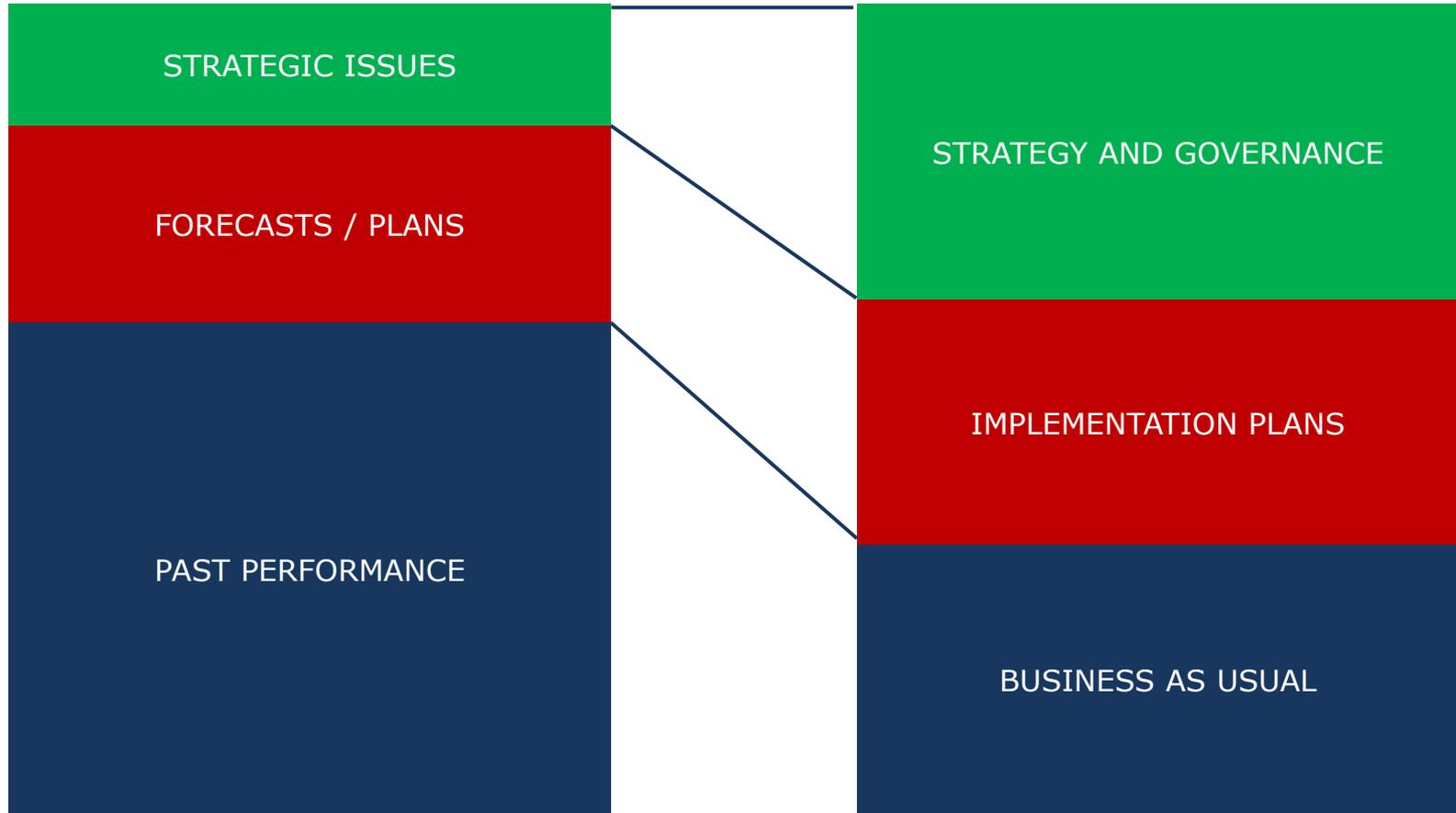
# Why <IR>: More than financials



Source: Ocean Tomo

*Reporting content*

*Business value*



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concise communication about value



# The Framework journey so far...



Background Papers  
for <IR>

Emerging <IR>  
Database

IIRC Pilot Programme  
Yearbooks

Basis for  
Conclusions

Building the Business  
Case for <IR>

Summary of  
Significant Issues

# The Framework journey ahead



Background Papers  
for <IR>

IIRC Pilot Programme  
Yearbooks

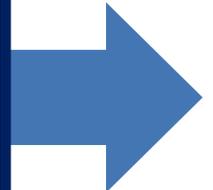
Building the Business  
Case for <IR>

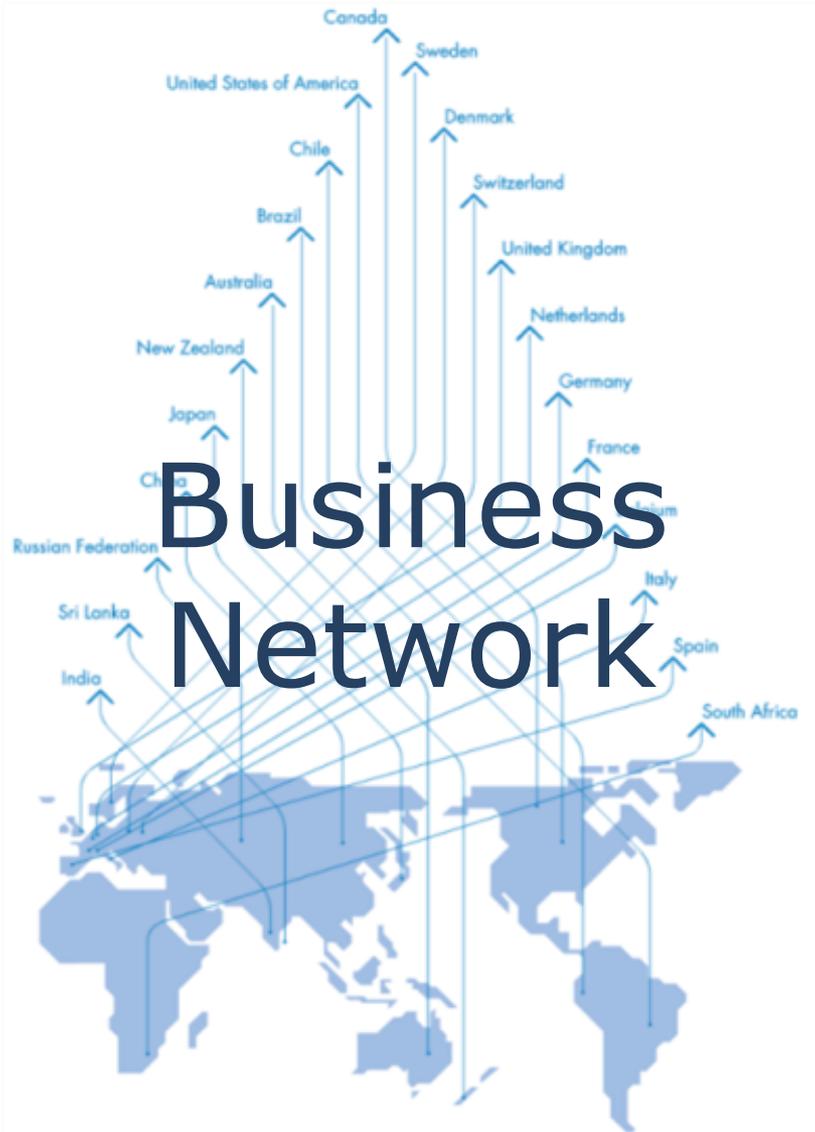
Emerging <IR>  
Database

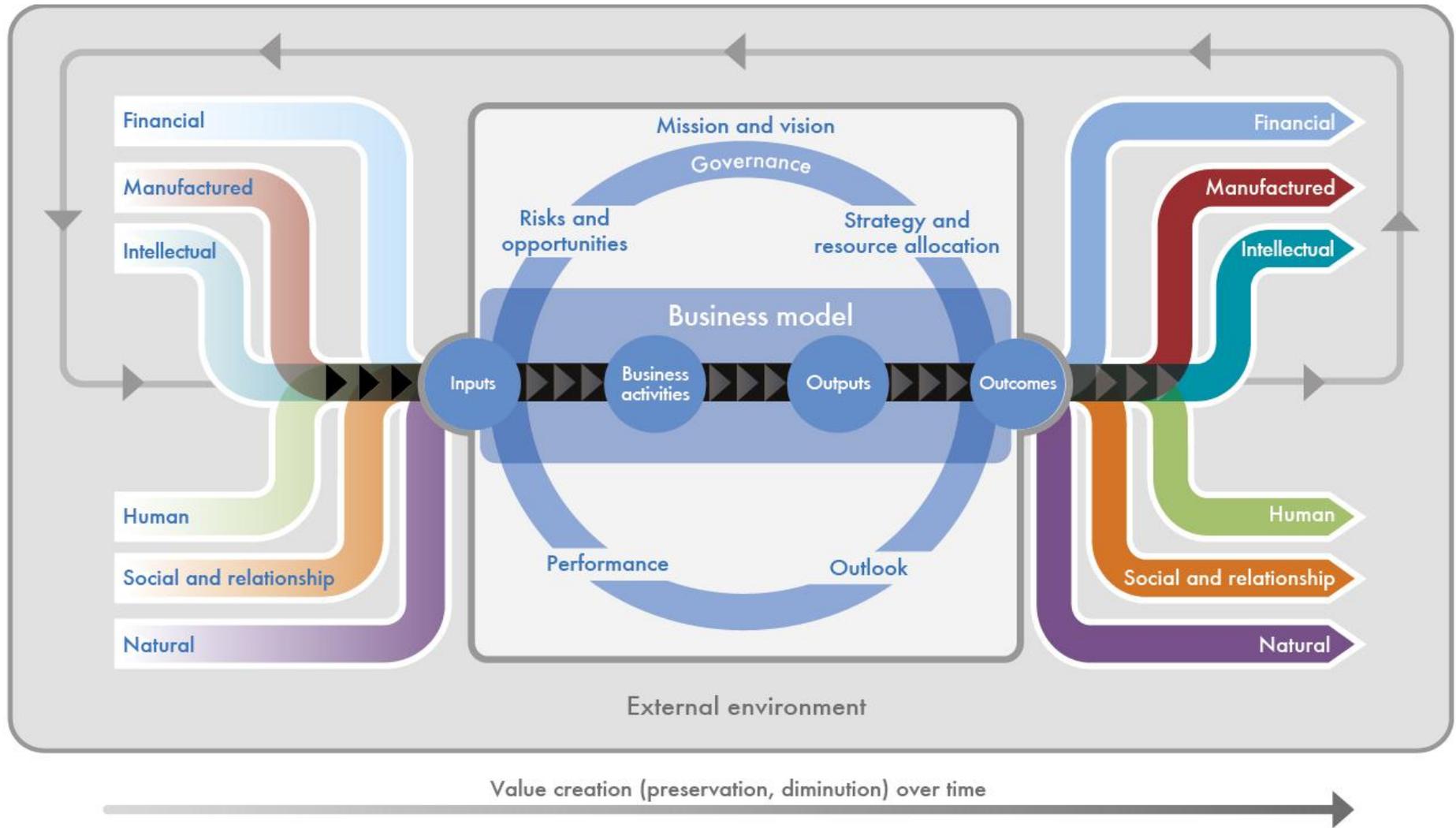
Basis for  
Conclusions

Summary of  
Significant Issues

- Framework Development
- Guidance and Practice
- Thought leadership
- Academic community
- Databases
- Evidence Base







## The Value Creation Process

# Wales Audit Office



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# THE CROWN ESTATE

VISION 2022  
making a positive impact



UK PLC

ONE TEAM

RENEWABLES

I ❤️ THE CROWN ESTATE

PLACE MAKING

SUSTAINABILITY

COMMERCIALISM  
INTEGRITY  
STEWARDSHIP

BALANCE

PARTNERSHIP & TRUST

STAKEHOLDERS

TRANSPARENCY

UK-wide interests

- Urban
- Coastal
- Energy & Infrastructure
- Rural
- Windsors

1961 ACT

1760

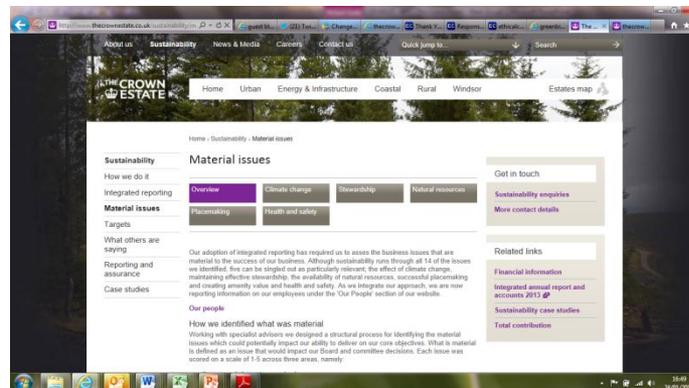
# Sustainability strategy



# Integrated reporting



Total  
Contribution



# Business model

## How we create value

We are commercially driven, but take a long-term and sustainable view of total return. Our net surplus (profit) goes to the Treasury and we also make a positive economic, social and environmental contribution in the areas where we do business.

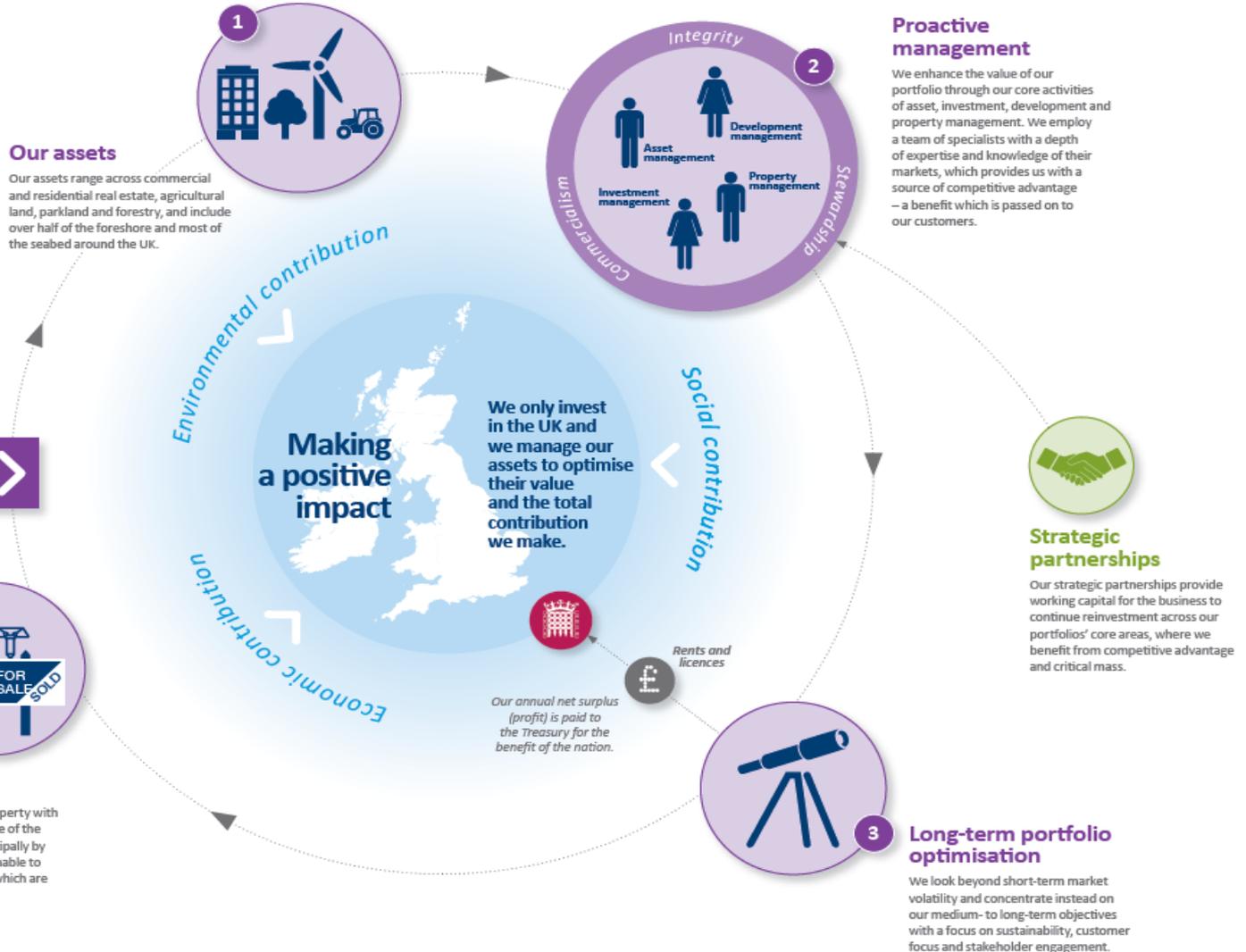
### Our assets

Our assets range across commercial and residential real estate, agricultural land, parkland and forestry, and include over half of the foreshore and most of the seabed around the UK.

One business, one team, one common sense of purpose

### Asset transactions

We buy, develop and sell property with a view to optimising the value of the estate. We raise capital principally by selling property, as we are unable to borrow, the proceeds from which are reinvested in the estate.



# Material issues



Sustained and profitable growth



Optimisation of the portfolio for long-term total return



Attraction of suitable commercial partners and investors



Attraction, nurturing and retention of best talent



Health and safety



Maintaining effective stewardship



Reputation



Successful placemaking and creating amenity value



Effect of climate change



Availability of natural resources



Customer focus



Organisational and management structure



Health of UK economy



Government policy

# Business planning



# What is Total Contribution?

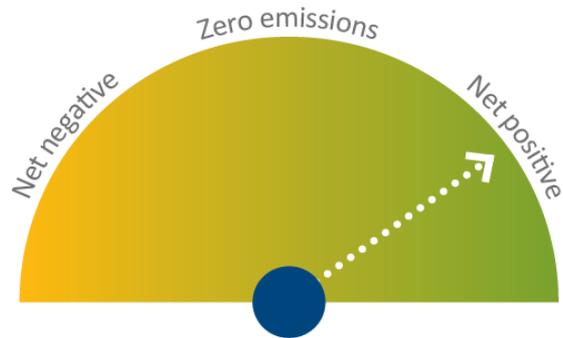


- Value - direct, indirect and through our enabling actions
- Beyond economic: Including Social and Environmental
- Transparency principles
  - Credit, Confidence, Net Contribution

# Results

**Value chain** – Biggest impact where we have influence not control

**118** unemployed placed into permanent employment resulted in **£1.1m** economic value (to individuals and nation)



**4 million tCO<sub>2</sub>** more emissions sequestered through forestry and avoided by low carbon energy generation than emissions generated.  
**Carbon net positive**

**£5,233m** Gross Value Added (GVA) contributed to the UK economy



making a positive impact

