

Panel su *Corporate reporting: quo vadis?*

Quali saranno le direttrici evolutive dell'informativa non-finanziaria?

Quali gli Organismi che guideranno questo cambiamento?

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# FINANCIAL REPORTING: “LONG-TERM” PERSPECTIVE

## SERVING THE EUROPEAN PUBLIC GOOD

- Maystadt recommendations on the expansion of the ‘public good’ criterion, i.e. accounting standards should neither jeopardise the EU’s financial stability nor hinder its economic development
- Fitness Check: EC to evaluate IAS Regulation: explore how the endorsement process can allow for specific adjustments to standards where they are not conducive to the European public good (e.g. where the standards could pose an obstacle to long-term investment objectives)

### *What is already happening?*

- **Recent requests for endorsement advice of new IFRS refer to the need to consider the impacts of new standards on financial stability and long-term-investment in the EU**
- **EC requested EFRAG to advice for alternative accounting treatments to fair value for long-term investment portfolios of equity and equity-like instruments, to report risks ad performance in the long term investment business model**

# INTEGRATING NON FINANCIAL INFORMATION

## FINANCIAL REPORTING IS EVOLVING TO KEEP ITS RELEVANCE

- Users' needs: reported figures do not tell a complete story
- Conceptual Framework does not allow to do more on “balance sheet”
- Evidence that financial reporting does not allow for appreciation of non-reported drivers of value creation and preservation (risks and opportunities)
- Do we really need “more”? Starting from the issue of disclosure overload, essential to keep an integrated approach and focus on materiality
- From Accounting to setting good practices on effective communication (e.g. cohesiveness)

### *What is already happening?*

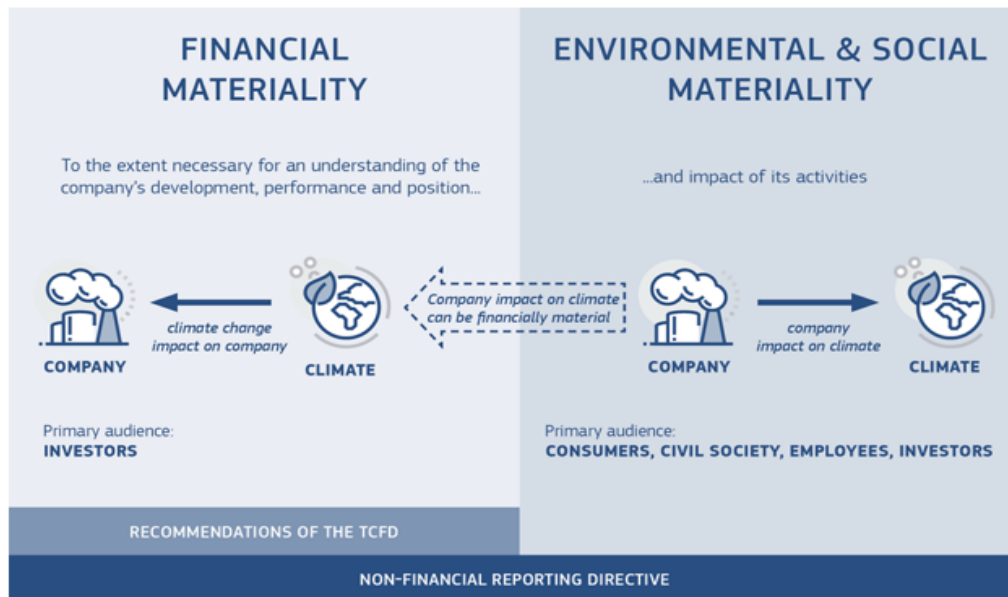
- **EFRAG inputs to the IASB project on Practice Statement on Management Commentary**
- **EFRAG project on Better information on Intangibles**

# NAVIGATING INTO CORPORATE REPORTING COMPLEXITY

## DOUBLE MATERIALITY, KEY TO IDENTIFY “PRE-FINANCIAL” INFORMATION



### Climate reporting and the double materiality perspective



DG FISMA

### Examples of “pre-financial”

- Corporate strategy and mission
- Business model
- Operational model and governance
- ESG risks and opportunities (possible financial implications in the medium term)
- Quantitative KPIs of “outside-in” ESG risks and opportunities (targets VS actuals)
- ***Integrated to avoid duplications of FI and NFI and mitigate audit risk and costs***
- ***“What to do” VS “How to do”: framework-neutrality***



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THANK YOU

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