



Issues emerging from public consultation

Stakeholder Meeting on
Non-Financial Reporting

Brussels, 18 October 2018

Are the quality and quantity of information disclosed still **relevant** issues?

Yes relevant

Growing
information
demand not met

NFRD does not
resolve all issues

No, not relevant

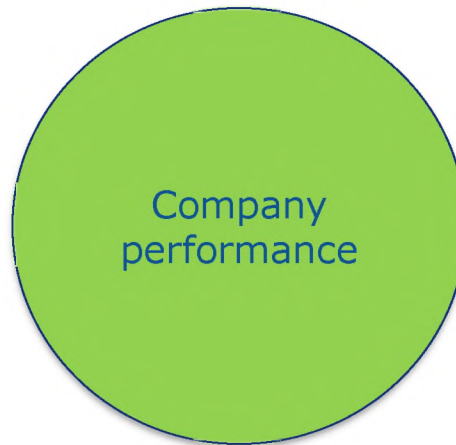
Issues resolved by
voluntary
approaches

Issues resolved by
national legislation

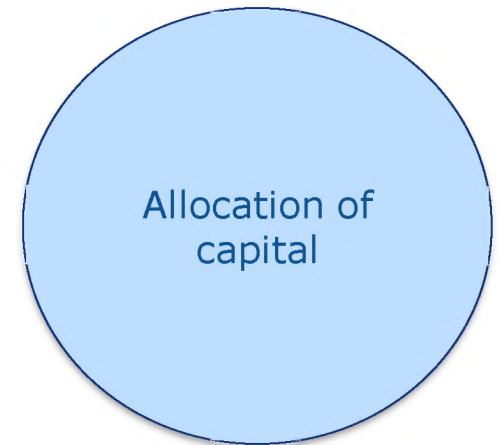
Is the Non-Financial Reporting Directive **effective in meeting overall objectives?**



Accountability



Company
performance



Allocation of
capital

Some factors affecting effectiveness

Flexibility?

Materiality definition?

Effects on company performance?

++ timely information

-- comparable information

Costs and benefits

Indirect
impact on SMEs?

No similar
requirements on
non-EU companies

Costs and benefits
for whom?

Few figures,
high divergence

Administrative
costs for
companies v
possible benefits

Scope

Well adapted to size and impact?

Large non-listed companies?

SMEs?

Smaller banks & insurance companies?

Guidelines

How helpful?

More useful for 1st time reporters?

Further updates?

Coherence

Most looking at EU-national coherence

Flexibility given to Member States – a problem?

Financial sector: call for more EU coherence

Some emerging questions...

- *Materiality definition*
- *Principles based v prescriptive, KPIs*
- *Scope*
- *Costs*

Also

- *Has context changed since 2014?*
- *Other developments in corporate reporting (e.g. integration, digitalisation?)*
- *Supervision and enforcement*