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EFRAG
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Email: jean-paul.gauzes@efrag.org; saskia.slomp@efrag.org

Dear Mr Gauzes,
Dear Ms Slomp,

Thank you very much for the opportunity to provide comments on the future agenda and priorities for EFRAG Lab. All the projects envisaged by the Lab have the potential to add value for the market participants. At this stage we believe priority could be given to the reporting on the materiality assessment process and outcomes for ESG matters.

While we understand the first project is focusing on social matters and human rights, we believe that when it comes to the assessment of value chain, this should encompass also the environmental factors, or at least the climate change aspects of it. The analysis of value chains is complex and challenging and analysing several dimensions at the same time would make sense not only because of some interdependencies but also from operational perspective (to economise the resources).

Concerning the project on Reporting of Non-financial risk and opportunities, and linkage to the business model, we believe the focus of the project should be on financial risks-covering financial risks and opportunities not in the scope of the International Financial Reporting Standards (IFRS).

Another, or complementary topic that EFRAG Lab could consider is related to sustainable loans. The Lab could consider designing a reporting templates for companies that receive loans in the context of taxonomy related activities to prove the compliance with the taxonomy. This system could complement the currently proposed EU Green Bond Standard reporting.

We stay at your disposal should you wish to discuss any aspects of our response in more details.

Kind regards,

Wim Mijs
Chief Executive Officer