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## **Wider Corporate Reporting Cover Note**

### **Objective**

- 1 The objective of this session is to discuss the IASB paper on the wider corporate reporting landscape and the implications for the IASB's work. Wider corporate reporting is a broad term used to refer to any reporting by companies that falls outside the financial statements. It includes integrated reporting, sustainability reporting, environmental reporting, risk reporting etc.

### **Background**

- 2 The IASB is currently undertaking various initiatives to improve financial reporting. Initial research by the IASB Staff has indicated that wider corporate reporting is growing in prominence and importance, although much of it is prepared on a voluntary basis. The IASB Staff notes that currently there is a general consensus that companies should report on a broader range of factors beyond purely financial results. However there is a need for greater standardisation and a consistent global reporting framework, given the current overabundance of codes and guidelines.
- 3 At its March meeting, the IASB Board generally agreed that they should be playing a more active role in wider corporate reporting. However, some IASB members cautioned that creating more guidance without fully understanding its purpose and what problem it is trying to solve would just add to the existing confusion and render the guidance meaningless.
- 4 As a start, the IASB has decided to explore updating the Management Commentary Practice Statement (MCPS). The IASB staff is tasked with assessing whether and to what extent preparers are using the existing guidance in the MCPS.

### **Questions for EFRAG TEG-CFSS**

- 5 Considering existing guidance in your jurisdiction and at EU level, would you support the IASB updating the MCPS?
- 6 Should the IASB play a more active role in wider corporate reporting than its current stance of co-operation and co-ordination with other bodies in this area?
- 7 Do you have any comments or suggestions on the areas the IASB should examine in their research?

### **Agenda Papers**

- 8 In addition to this cover note, agenda paper 07C-02– for background only, has been provided for this session.