

## Survey for users of financial statements on the IASB's Exposure Draft Risk Mitigation Accounting

### Background of the IASB's Risk Mitigation Accounting project

- 1 The IASB has a project on Risk Mitigation Accounting (RMA), (previously Dynamic Risk Management (DRM)), to enable investors to understand the effect of a company's dynamic approach to risk management of repricing risk due to changes in interest rate and to evaluate the effectiveness of interest rate risk management.
- 2 Currently, when applying the hedge accounting requirements in IFRS 9 *Financial Instruments* and/or IAS 39 *Financial Instruments: Recognition and Measurement*, it is difficult to account for dynamic risk management. There are practical challenges in aligning the accounting requirements with the way companies manage repricing risk<sup>1</sup>.
- 3 These challenges make it difficult to faithfully portray the economic effects of such dynamic and complex risk management activities in their financial statements in a way that delivers decision-useful information to users.
- 4 The IASB published an [Exposure Draft Risk Mitigation Accounting – Proposed amendments to IFRS 9 and IFRS 7 \(ED\)](#), as well as the related [Basis for Conclusions](#) and [Illustrative Examples and Implementation Guidance](#), on 3 December 2025. The IASB's consultation is open for comment until 30 November 2026.

### Introduction and Objective

- 5 The objective of the users' survey is to collect input on whether the IASB's proposals on [the ED](#) provide useful, relevant and understandable information for users of financial statements. The survey aims to assess whether the proposed disclosures meet users' needs, whether they enhance transparency on interest rate risk management, whether additional information would be necessary. The survey also looks at cost-benefit

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<sup>1</sup> For the purposes of the ED, repricing risk is a type of interest rate risk that exposes a company to variability in the cash flows from, and fair value of, financial instruments, arising from differences in:

- the timing of when financial instruments reprice to benchmark interest rates; and
- the amount of financial instruments that reprice in a particular period.

considerations. The results will support EFRAG in evaluating the usefulness of the proposed disclosures when preparing its final comment letter on the IASB's ED on RMA.

- 6 This survey covers the following topics based on the IASB's ED:
  - (a) Section 2: General questions on the RMA model;
  - (b) Section 3: The objective and scope of risk mitigation accounting;
  - (c) Section 4: Underlying portfolios;
  - (d) Section 5: Presentation and disclosure requirements;
  - (e) Section 6: Effective date and withdrawal of IAS 39;
  - (f) Section 7: Risk mitigation strategy for insurers;
  - (g) Section 8: Costs versus benefits of implementing the ED proposals; and
  - (h) Section 9: Other technical areas.
- 7 This survey is directed at users. There will be a separate survey directed at IFRS preparers.
- 8 The survey is expected to take approximately one hour to complete.

#### **Timeline and relevant information**

- 9 The deadline to fill out the survey is **15 September 2026**. Please submit your answers by clicking on the 'Submit' button at the end of the survey.
- 10 Results from this survey will be used as input for EFRAG's comment letter, and a summary report of the survey will be published on EFRAG's website. The collected information will remain confidential and, when used in documents, will be presented in such a way that no individual company or person can be identified.
- 11 EFRAG published its [draft comment letter](#) on 10 February 2026, with a comment period deadline of 9 October 2026.

#### **What are users expected to do?**

- 12 User participants are not required to respond to all questions of the survey. Whilst EFRAG would welcome feedback on as many elements as possible, participants are invited to focus on the issues they find the most relevant.
- 13 Please note that you can save the draft questionnaire and return to it at a later time by clicking on the button 'Save and continue later' in the top right corner of the page (please check the spam folder of your mailbox, if needed). EFRAG will only consider submitted surveys.

**EFRAG Secretariat availability**

14 For any technical questions or to receive more information, please contact Sapna Heeralall (sapna.heeralall@efrag.org) or Serge Vinogradov (serge.vinogradov@efrag.org).

**Section 1 – General Information**

**Question 1.1 – Respondent's profile\***

Name:

Email address:

**Question 1.2 – Respondent type\***

- (a) Credit analyst
- (b) Equity analyst buy side
- (c) Equity analyst sell side
- (d) Retail investor
- (e) Portfolio manager
- (f) Credit rating agency
- (g) Other (please specify)

**Question 1.3 – Your organisation (group of companies you belong to)\***

Name of the organisation:

Country of incorporation:

**Question 1.4 – Please list the main industry sectors that you cover.\***

Select all applicable answers

- (a) Banks
- (b) Insurance entities
- (c) Other, please specify

**Question 1.5 – I mainly follow companies listed in \***

Select all applicable answers

- (a) Europe

- (b) North America
- (c) South America
- (d) Africa
- (e) Asia Oceania
- (f) No special geographical limitation or focus

**Question 1.6 – I agree to be contacted to discuss my responses further. \***

- (a) Yes
- (b) No

**Section 2 – General questions on the RMA model**

**Question 2.1 – Do you find that entities currently reporting according to IFRS Accounting Standards are providing you with relevant and sufficient information on their interest rate risk management and its influence on the reported numbers in the financial statements and the disclosures? Please explain.**

- (a) No
- (b) Yes
- (c) Partially

**Question 2.2 –**

**(A) Do you expect that the risk mitigation accounting as proposed by the IASB, if applied by entities, would provide you with more relevant information than you are currently getting from entities that apply IAS 39 or the EU carve out from IAS 39?**

- (a) No
- (b) Yes
- (c) I do not know

Please explain.

If yes, do you expect that the increased relevant information would come primarily from

- the notes

- information in profit or loss and the balance sheet
- both of the above

**(B) Please rank information from the following accounting requirements in terms of the most useful to the least useful information for users.**

- (a) RMA
- (b) IAS 39
- (c) IAS 39 carve out
- (d) IFRS 9 without hedge accounting
- (e) IFRS 9 with hedge accounting

Please explain your reasons for the ranking.

### Section 3 – Objective and scope of risk mitigation accounting (Question 1 of the ED)

**Question 3.1 – Which of the following objectives do you consider that the ED should focus on?**

- (a) Faithfully reflecting an entity's risk management activities when conducted on a net basis in its financial statements to the extent possible, as a primary objective, as per the ED.
- (B) Both (a) above and eliminating accounting mismatches, treating these objectives as equally important.
- (b) Other; please explain

**Question 3.2 – In the ED it is proposed that an entity may elect to apply or not apply RMA. Do you agree with the RMA model being optional to use?**

- (a) Yes
- (b) No

Please explain why.

## Section 4 – Underlying portfolios (Question 2 of the ED)

### Question 4.1

Par. 7.2.1 of the ED lists the following eligible items to be included in the RMA model:

- (a) financial assets classified as subsequently measured at amortised cost or fair value through other comprehensive income;
- (b) financial liabilities classified as subsequently measured at amortised cost; or
- (c) future transactions that could result in the recognition or derecognition of financial instruments specified in (a) or (b) above.

**Do you consider that there are other exposures to net repricing risk that are not included in the ED but that should be eligible?**

- (a) No (Please explain why)

- (b) Yes (Please explain which and why)

### Question 4.2

**Paragraph B7.2.17 of the ED provides a proxy for hedging interest rate risk in equity. Do you expect that the possibility to apply a proxy for hedging interest rate risk in equity will provide you with financial information that is relevant and faithfully represents the interest risk activities and the net exposures of the entity? (Please explain why or why not.)**

- (a) Yes (Please explain why)

- (b) No (Please explain why)

### Question 4.3

Including financial assets or financial liabilities that are remeasured for changes in (fair) values caused by changes in the mitigated rate in the underlying portfolios will potentially, through the proposed regulation of risk mitigation adjustment, result in inflated recognitions of gains or losses

exceeding the actual changes in fair values on the balance sheet (see, for example, [Paper 02-04](#) from the January 2026 EFRAG FR TEG Session 2).

- (a) **Do you have any conceptual concerns regarding this issue? (Please explain why or why not.)**

- (b) **Do you have any practical concerns regarding inflated accounting? (Please explain why or why not.)**

**Section 5 – Presentation and Disclosure requirements (Question 10 of the ED)**

**Question 5.1 – Do you consider that the risk mitigation adjustment being presented on the balance sheet and its unwinding in the profit or loss statement, as separate line items, provides useful information? Please explain why.**

- (a) Yes  
(b) No  
(c) Not sure

**Question 5.2 – Do you expect that the following proposed disclosures will provide sufficient or insufficient information?**

Question 4.1 above lists eligible items that are included in the RMA model. Financial assets measured at profit or loss, lease assets/liabilities and other assets/liabilities exposed to interest rate risk are not eligible to be included in the RMA model. Based on this, please respond to the adequacy of the proposed disclosure requirements.

ED IFRS 7 paragraph	Disclosure proposals (The text below is the proposed text in the ED)	Provides <b>sufficient</b> information	Provides <b>insufficient</b> information	I am not sure whether the information is sufficient or which further elements may be needed	Not needed	If insufficient, what is missing?	if not needed, please explain why
301	<p>An entity shall explain its risk management strategy for managing repricing risk. This explanation should enable users of financial statements to understand:</p> <p>(a) how the entity's exposure to repricing risk arises, including a description of the nature and characteristics of the underlying portfolios used to determine the net repricing risk exposure;</p>						

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ED IFRS 7 paragraph	Disclosure proposals (The text below is the proposed text in the ED)	Provides <b>sufficient</b> information	Provides <b>insufficient</b> information	I am not sure whether the information is sufficient or which further elements may be needed	Not needed	If insufficient, what is missing?	if not needed, please explain why
	<p>(b) how the entity manages repricing risk, including details about the mitigated rate and mitigated time horizon; and</p> <p>(c) how the entity determines the net repricing risk exposure, including the level at which it is determined and the measures the entity uses to quantify repricing risk.</p>						
30J	<p>An entity shall disclose qualitative and quantitative information that enables users of financial statements to evaluate the terms and conditions of designated derivatives and how they affect the amount, timing and uncertainty of the entity's future cash flows. To meet this requirement, an entity shall provide a breakdown that discloses:</p>						

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ED IFRS 7 paragraph	Disclosure proposals (The text below is the proposed text in the ED)	Provides sufficient information	Provides insufficient information	I am not sure whether the information is sufficient or which further elements may be needed	Not needed	If insufficient, what is missing?	if not needed, please explain why
	(a) a profile of the timings of the nominal amounts of the designated derivatives (for example, by repricing time bands); and  (b) the average fixed interest rate of the designated derivatives.						
30K	An entity shall disclose a sensitivity analysis showing how the cash flows from, or the fair value of, the underlying portfolios might change as a result of reasonably possible changes in the mitigated rate.						
30L	An entity shall disclose, in a tabular format, information about the financial instruments included in the underlying portfolios aggregated to determine the net repricing risk exposure, including:						

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ED IFRS 7 paragraph	Disclosure proposals (The text below is the proposed text in the ED)	Provides <b>sufficient</b> information	Provides <b>insufficient</b> information	I am not sure whether the information is sufficient or which further elements may be needed	Not needed	If insufficient, what is missing?	if not needed, please explain why
	<p>(a) the carrying amounts of financial assets and financial liabilities and the nominal amounts of future transactions;</p> <p>(b) the line items in the statement of financial position in which the financial instruments are included (or will be included in the case of future transactions);</p> <p>(c) qualitative information about the inputs, assumptions and estimation techniques the entity used to aggregate the repricing risk arising from underlying portfolios by repricing time bands; and</p> <p>(d) information about any hedged exposures.</p>						
30M	An entity shall disclose, in a tabular format, information about designated derivatives, including:						

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ED IFRS 7 paragraph	Disclosure proposals (The text below is the proposed text in the ED)	Provides <b>sufficient</b> information	Provides <b>insufficient</b> information	I am not sure whether the information is sufficient or which further elements may be needed	Not needed	If insufficient, what is missing?	if not needed, please explain why
	<p>(a) the carrying amount of the designated derivatives;</p> <p>(b) the line items in the statement of financial position in which the designated derivatives are included;</p> <p>(c) the change in fair value of the designated derivatives during the reporting period that is used in measuring the risk mitigation adjustment; and</p> <p>(d) the notional amounts of the designated derivatives.</p>						
30N	<p>An entity shall disclose information that enables users of financial statements to understand how the risk mitigation adjustment has been measured, including:</p>						

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	<p>(a) the entity's approach to capturing the effects of unexpected changes in the financial instruments included in underlying portfolios during the period;</p> <p>(b) the gains or losses on the designated derivatives not recognised as part of the risk mitigation adjustment, both cumulatively and for the reporting period;</p> <p>(c) the line items in the statement of comprehensive income in which the gains or losses described in (b) are included; and</p> <p>(d) the expected profile for recognising the amount accumulated as the risk mitigation adjustment in profit or loss.</p>						

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ED IFRS 7 paragraph	Disclosure proposals (The text below is the proposed text in the ED)	Provides sufficient information	Provides insufficient information	I am not sure whether the information is sufficient or which further elements may be needed	Not needed	If insufficient, what is missing?	if not needed, please explain why
300	<p>An entity shall disclose, in a tabular format, a reconciliation from the opening to the closing balance of the risk mitigation adjustment, showing separately:</p> <p>(a) the gains or losses on the designated derivatives that have been recognised as part of the risk mitigation adjustment during the period;</p> <p>(b) the amount of the risk mitigation adjustment that has been recognised in profit or loss during the reporting period; and</p> <p>(c) the amount of any reduction in the risk mitigation adjustment due to an excess amount recognised in profit or loss in accordance with paragraph 7.4.14 of IFRS 9.</p>						

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ED IFRS 7 paragraph	Disclosure proposals (The text below is the proposed text in the ED)	Provides <b>sufficient</b> information	Provides <b>insufficient</b> information	I am not sure whether the information is sufficient or which further elements may be needed	Not needed	If insufficient, what is missing?	if not needed, please explain why
30P	<p>When an entity discloses the information required by paragraphs 30N–30O, it shall distinguish between:</p> <p>(a) risk mitigation adjustments that relate to the continuing application of risk mitigation accounting; and</p> <p>(b) risk mitigation adjustments that relate to risk mitigation accounting that has been discontinued.</p>						
33A	<p>In some cases, an entity whose business and risk management activities have the characteristics specified in paragraph 7.1.4 of IFRS 9 might choose not to apply risk mitigation accounting. In such cases, the entity shall provide a qualitative explanation to enable users of its financial</p>						

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ED IFRS 7 paragraph	Disclosure proposals (The text below is the proposed text in the ED)	Provides <b>sufficient</b> information	Provides <b>insufficient</b> information	I am not sure whether the information is sufficient or which further elements may be needed	Not needed	If insufficient, what is missing?	if not needed, please explain why
	<p>statements to understand how the entity manages its exposure to repricing risk. This explanation shall include information about:</p> <p>(a) how the entity's exposure to repricing risk arises;</p> <p>(b) how the entity identifies, aggregates, monitors and manages its exposure to repricing risk; and</p> <p>(c) how the entity reports its activities for managing repricing risk in the financial statements.</p>						
44RR	<p>In the reporting period in which an entity first applies these amendments, the entity shall disclose information about the effects of the transition to risk mitigation accounting as at the beginning of that reporting period, including:</p>						

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ED IFRS 7 paragraph	Disclosure proposals (The text below is the proposed text in the ED)	Provides <b>sufficient</b> information	Provides <b>insufficient</b> information	I am not sure whether the information is sufficient or which further elements may be needed	Not needed	If insufficient, what is missing?	if not needed, please explain why
	<p>(a) information about the underlying portfolios, in a tabular format, such as the carrying amounts of the financial assets and financial liabilities and the related line items in the statement of financial position;</p> <p>(b) information about the designated derivatives, in a tabular format, such as the carrying amount of the designated derivatives and the related line item in the statement of financial position; and</p> <p>(c) information about the cumulative hedge adjustments – included in the carrying amount of previously designated hedged items or in the cash flow hedge reserve – that are related to hedging relationships discontinued for the purposes of applying risk mitigation accounting.</p>						

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ED IFRS 7 paragraph	Disclosure proposals (The text below is the proposed text in the ED)	Provides <b>sufficient</b> information	Provides <b>insufficient</b> information	I am not sure whether the information is sufficient or which further elements may be needed	Not needed	If insufficient, what is missing?	if not needed, please explain why
44SS	<p>If an entity revokes its previous designation of financial assets and financial liabilities as measured at fair value through profit or loss in accordance with paragraph C2.59 of IFRS 9, the entity shall disclose information about the effects of such a change, including:</p> <p>(a) an explanation of the reason for revoking the previous designation; and</p> <p>(b) the fair value of financial assets and financial liabilities whose designations have been revoked at the beginning of the reporting period in which the entity first applies the requirements in Chapter 7 of IFRS 9.</p>						



**Question 5.3 – Do you find the IASB's proposals on disclosures (paragraphs 30D–30P [in the ED](#)) understandable? That is, are the principles and the terminology of the ED sufficiently clear so that no further guidance from the IASB is needed?**

- (a) Yes
- (b) No

Please explain.

**Question 5.4 – The objective of the risk mitigation accounting disclosures is to enable users of an entity's financial statements to understand:**

- (a) how the entity manages repricing risk according to its risk management strategy;
- (b) how the entity's risk management activities could affect the amount, timing and uncertainty of its future cash flows; and
- (c) how applying risk mitigation accounting has affected the entity's statement of financial position and statement of comprehensive income.

**Besides what you indicated in your response to question 5.2 above, is there any information you consider missing that is significantly important for understanding risk mitigation accounting?**

- (a) Yes
- (b) No
- (c) Not sure

If yes, please explain what is missing.

**Question 5.5 – Note that the designated derivatives in the risk mitigation accounting model do not include all derivatives that are used to manage interest rate risk. For example, they do not include financial assets measured at fair value through profit or loss, lease receivables or lease obligations.**

**Do you consider it important to have information only on designated derivatives as defined in the ED or more generally on all derivatives used for interest rate risk management? Please explain why.**

- (a) Only on designated derivatives
- (b) All derivatives used for interest rate risk management
- (c) I do not know

**Question 5.6 – Do you consider that the disclosures listed in question 5.2 are incremental to the existing IFRS 7 interest rate risk disclosures, or do you perceive overlaps or other interactions?**

- (a) Incremental to existing IFRS 7 interest rate risk disclosures
- (b) Overlaps and/or other interactions with existing IFRS 7 interest rate risk disclosures

Explain the overlaps and/or other interactions.

- (c) I do not know

**Question 5.7 – When comparing information from Pillar III prudential disclosures on interest rate risk in the banking book (IRRBB) and proposed RMA disclosures in question 5.2, do you consider that:**

- (a) both sets of information are complementary
- (b) they may be potentially confusing Explain below.

Reason why they are confusing	How do you expect to deal with this, including any difference in information

- (c) I do not know

**Section 6 – Effective date and withdrawal of IAS 39 (Question 8 of the ED)**

**Question 6.1**

An entity shall discontinue applying IAS 39 at the earlier of:

- a) the date the entity applies risk mitigation accounting in accordance with the ED; and
- b) annual reporting periods beginning on or after [date to be determined]

**Do you expect that this could lead to some challenges? If yes, please explain challenges.**

- (a) Yes

(b) No

**Question 6.2 – Do you agree with the proposal to withdraw IAS 39? Why or why not? If you disagree, please explain what you would suggest instead and why.**

(a) Yes

(b) No

**Section 7 – Risk management strategy of insurers (Question 11 of the ED)**

**Question 7.1 – What aspects and/or information, including disclosures, do you consider important for users on risk mitigation accounting for insurers?**

**Question 7.2 – Do you foresee any conflicts of RMA with [the IFRS 17 Insurance Contracts EU exemption](#) on annual cohorts for intergenerationally-mutualised and cash flow matched contracts?**

(a) Yes

(b) No

(c) I do not know

If yes, please explain.

**Section 8 – Costs versus benefits of implementing the ED proposals**

**Question 8.1 – What are the costs that are likely to arise for users related to the implementation of the ED proposals both as one-off costs and ongoing costs?**

One-off costs:

Ongoing costs:

**Question 8.2 – What are the likely benefits of the ED proposals for users?**

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**Question 8.3 – Do you expect that the benefits are likely to exceed the costs? Please explain.**

- (a) Yes
- (b) No
- (c) Not sure

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**Section 9 – Other technical areas**

**Question 9.1**

**(A) Do you agree with the following proposals [in the ED](#)? The proposals below are taken from the respective questions of the ED.**

<p><b>Net repricing risk exposure (ED Question 3):</b></p> <p>The IASB proposes that an entity determine the net repricing risk exposure by aggregating the repricing risk arising from underlying portfolios by repricing time bands based on expected repricing dates. The expected repricing date is the earlier of the dates on which financial instruments in the underlying portfolios are expected to be settled or to reprice.</p> <p>The IASB also proposes that the entity determine the net repricing risk exposure in a manner that is consistent with how it makes risk management decisions, including with regard to:</p> <ul style="list-style-type: none"> <li>(a) the basis on which the entity aggregates the repricing risk arising from underlying portfolios and determines the repricing time bands (based on expected repricing dates); and</li> <li>(b) the measure the entity uses to quantify the repricing risk exposure in each repricing time band.</li> </ul>	<ul style="list-style-type: none"> <li>(a) Yes</li> <li>(b) No</li> <li>(c) Not sure</li> </ul>
<p><b>Designated derivatives (ED Question 4):</b></p> <p>The IASB proposes that only interest rate derivatives with a party external to the reporting entity that are used to mitigate the entity's repricing risk in accordance with its risk management strategy be eligible to be included as designated derivatives.</p>	<ul style="list-style-type: none"> <li>(a) Yes</li> <li>(b) No</li> <li>(c) Not sure</li> </ul>
<p><b>Risk mitigation objective and benchmark derivatives (ED Question 5):</b></p>	<ul style="list-style-type: none"> <li>(a) Yes</li> </ul>

<p>The IASB proposes that an entity:</p> <ul style="list-style-type: none"> <li>(a) specify a risk mitigation objective that is consistent with the amount of repricing risk the entity mitigates using designated derivatives, but does not exceed the amount of net repricing risk exposure in each repricing time band;</li> <li>(b) construct benchmark derivatives to replicate the timing and amount of repricing risk as specified in the risk mitigation objective; and</li> <li>(c) adjust the amount of repricing risk represented by the benchmark derivatives if unexpected changes in financial instruments included in underlying portfolios reduce the net repricing risk exposure to an amount below the risk mitigation objective specified at the beginning of the period.</li> </ul>	<ul style="list-style-type: none"> <li>(b) No</li> <li>(c) Not sure</li> </ul>
<p><b>Recognising and measuring the risk mitigation adjustment (ED Question 6):</b></p> <p>The IASB proposes that an entity:</p> <ul style="list-style-type: none"> <li>(a) recognise the risk mitigation adjustment in the statement of financial position based on the lower of: <ul style="list-style-type: none"> <li>i. the cumulative gains or losses on the designated derivatives; and</li> <li>ii. the cumulative change in the fair value (present value) of the benchmark derivatives;</li> </ul> </li> <li>(b) recognise in profit or loss the amount accumulated as the risk mitigation adjustment in the same periods during which the repricing differences arising from the financial instruments in the underlying portfolios affect profit or loss;</li> <li>(c) assess, at each reporting date, whether there is an indication that the risk mitigation adjustment might not be realised in full over the mitigated time horizon; and</li> <li>(d) recognise immediately in profit or loss a reduction in the amount accumulated as the risk mitigation adjustment if it exceeds the present value of the net repricing risk exposure as at the reporting date.</li> </ul>	<ul style="list-style-type: none"> <li>(a) Yes</li> <li>(b) No</li> <li>(c) Not sure</li> </ul>

**(B) Is there additional information that you consider is needed or any issues that you foresee from your perspective as a user? Please explain.**

**[SUBMIT SURVEY]**