

IASB Technical Update Conférence IMA France

Bertrand Perrin, membre du Board de l'IASB
Mardi 10 mai 2022

Overview

Update on current work plan

Research, standard-setting and maintenance projects

Supporting consistent application of IFRS Standards

New requirements

Strategy and Governance projects - Third Agenda Consultation

IFRS Taxonomy, ISSB work, Helpful materials

A grayscale world map is visible in the background, showing the continents. Overlaid on the left side of the map are several concentric, curved lines that sweep from the bottom left towards the center. These lines include both solid and dotted segments, creating a sense of motion or a stylized globe.

Update on current work plan

Forthcoming documents

Project	Next steps
Post-implementation Review of IFRS 10, IFRS 11 and IFRS 12	Feedback Statement expected in June 2022
Third Agenda Consultation	Feedback Statement expected in July 2022
Lease Liability in a Sale and Leaseback	Narrow-scope amendment to IFRS 16 expected in Q3 2022
Second Review of the <i>IFRS for SMEs</i> Accounting Standard	Exposure Draft expected in Q3 2022

A grayscale world map is visible in the background, showing the continents. Overlaid on the left side of the map are several concentric, curved lines that sweep from the bottom left towards the center. These lines include both solid and dotted segments, creating a sense of global connectivity or data flow.

Research projects

Business Combinations under Common Control

Objective

- Develop reporting requirements to reduce diversity in practice and improve transparency

Preliminary views in Discussion Paper (Nov 2020)

- Specify which measurement method should be applied in which circumstances
- Use the **acquisition method** set out in IFRS 3 for combinations that affect investors outside the group
- Use a **book-value method** to be specified in IFRS Accounting Standards in all other cases

Next steps

- In March 2022 the IASB tentatively decided not to expand the project's scope
- Deliberations will focus on selecting the measurement method(s) to apply
- How to apply the measurement method(s) and other topics to be deliberated subsequently

Dynamic Risk Management

Objective

- Develop an accounting model that will better reflect a company's dynamic risk management process in the financial statements. The process involves understanding and managing the amount, timing and uncertainty caused by interest rate risks

Overview of the DRM model

- Companies dynamically manage the **current net open risk position**—that is, the net of eligible assets and liabilities, including core demand deposits
- The **risk mitigation intention** is the extent of current net open position that the company dynamically manages using derivatives
- When designated derivatives are successful in mitigating the repricing risk due to changes in interest rates and achieving the entity's **target profile**, changes in the fair value of such derivatives are recognised in OCI and reclassified to the statement of profit or loss over time (the feedback on the OCI accounting received from meetings with preparers will be discussed at a future IASB meeting)

Next steps

Continue the redeliberation of key issues identified in the meetings with preparers

Equity Method

Objective

- Assess whether application questions with the equity method as set out in IAS 28 *Investments in Associates and Joint Ventures* can be addressed in consolidated and individual financial statements by identifying and explaining the principles of IAS 28

Project plan

- Identify application questions in the equity method and decide which of these problems to address
- Address application questions by identifying and explaining the principles that underlie IAS 28

Next milestone

Decide project direction

Extractive Activities

Objective

- Provide more useful information about exploration and evaluation expenditure and activities accounted for applying IFRS 6 *Exploration for and Evaluation of Mineral Resources* by improving the transparency and comparability of this information

Project scope

- Explore developing requirements or guidance to improve a company's disclosures about its exploration and evaluation expenditure and activities
- Explore removing the temporary status of IFRS 6

Next steps

Decide project direction

Goodwill and Impairment

Objective

- Improve information companies provide about their acquisitions at a reasonable cost

Preliminary views (2020 Discussion Paper)

- Disclose management's objectives for acquisitions and subsequently disclose the performance against those objectives
- Targeted improvements to existing standards
- Retain impairment-only model for goodwill
- Simplify impairment test
- Do not change recognition of intangibles separately from goodwill

Project update

- This information conceptually can be required in financial statements (IASB's tentative decision)
- Investigation of practical concerns with stakeholders using staff examples (in progress)
- Analysis of specific aspects of the feedback on the subsequent accounting for goodwill (in progress)
- Feedback discussed in May 2021

Next milestone

Decide project direction

Post-implementation Review of IFRS 10, IFRS 11 and IFRS 12

Objective

- Assess whether IFRS 10, IFRS 11 and IFRS 12 are working as intended

Topics in the Request for Information

Consolidation

Joint arrangements

Disclosures

IASB conclusions

- IFRS 10, IFRS 11 and IFRS 12 are working as intended
- No topics identified as part of the Review require immediate action or need to be added to the research pipeline

Next milestone

Publish Project Report and Feedback Statement

Post-implementation Review of IFRS 9— Classification and Measurement

Objective

- Assess whether the classification and measurement requirements in IFRS 9 are working as intended

Discussion plan for the Feedback on the Request for Information

April/May 2022	Q2/Q3 2022				
Contractual cash flow characteristics (including ESG, contractually linked instruments)	Business model assessment	Equity instruments and OCI	Modifications to contractual cash flows	Amortised cost and effective interest method	Other matters

Next milestone

Discuss Request for Information Feedback

A grayscale world map serves as the background. Overlaid on the left side are several concentric, curved lines, some solid and some dotted, suggesting a globe or a network. The text "Standard-setting projects" is centered on the right side of the image.

Standard-setting projects

Disclosure Initiative—Subsidiaries without Public Accountability: Disclosures

Objective

- To permit eligible subsidiaries to apply the disclosure requirements in the draft Standard and the recognition, measurement and presentation requirements in IFRS Accounting Standards

Features of proposals in Exposure Draft (July 2021)

- Sets out **reduced disclosure requirements** for eligible subsidiaries
- A **voluntary standard** forming part of the IFRS Accounting Standards
- Would **reduce costs** for preparers and **maintain usefulness** of the financial statements

Next milestone

Discuss Exposure Draft feedback

Disclosure Initiative—Subsidiaries without Public Accountability: Disclosures

Objective

- To permit eligible subsidiaries to apply the disclosure requirements in the draft Standard and the recognition, measurement and presentation requirements in IFRS Accounting Standards

Feedback on Exposure Draft

- Support for:
 - the **objective and finalisation** of the draft Standard
 - the **approach** to developing the disclosure requirements in the draft Standard
 - the **structure of the draft Standard** with some suggestions on the use of **footnotes**
- Many suggestions for a **wider scope** to allow more companies to apply the draft Standard
- Many comments on the **proposed disclosure requirements** in the draft Standard

Next milestone

Decide project direction

Disclosure Initiative—Targeted Standards-level Review of Disclosures

Objective

- Improve the IASB's approach to developing disclosure requirements in a way that enables companies to enhance their judgement and provide more decision-useful information for investors

Main proposals in Exposure Draft (Mar 2021)

- New approach for the IASB to use when developing and drafting disclosure requirements in IFRS Accounting Standards (proposed Guidance)
- Replace disclosure requirements in IFRS 13 *Fair Value Measurement* and IAS 19 *Employee Benefits* with a new set of disclosure requirements developed applying the proposed Guidance
- Focus compliance on detailed disclosure objectives rather than prescriptive requirements, thus requiring companies to apply judgement

Next milestone

Discuss comment letter feedback

Financial Instruments with Characteristics of Equity

Purpose

- Improve the information that companies provide in their financial statements about financial instruments that they have issued
- Address challenges with applying IAS 32 *Financial Instruments: Presentation*

Approach

- Explore clarifying IAS 32 classification principles (rather than rewriting IAS 32) to address practice issues (eg classification of financial instruments settled in the issuer's own equity instruments)
- Provide classification guidance and illustrative examples
- Improve presentation and disclosure

Next milestone

Publish Exposure Draft

Management Commentary

Objective

- Overhaul IFRS Practice Statement 1 to provide a **comprehensive framework** on management commentary—building on innovations in narrative reporting and focusing on capital market needs

Feedback on Exposure Draft

- Strong **investor support** for the project, as it addresses common shortcomings in reporting practice
- Support for **focus on investors' information needs**, but some calls for a broader focus
- Support for proposed **objectives-based approach**, disclosure objectives and areas of content
- Calls to **work together with the ISSB** with suggestions to pause the project to enable that connectivity
- Some suggestions for further integration with **other reporting frameworks** (eg <IR> Framework¹)

Next milestone

Consider project direction

¹ International Integrated Reporting Council (IIRC, now Value Reporting Foundation)'s International Integrated Reporting Framework

Rate-regulated Activities

Objective

- Provide information about the effects of regulatory income, regulatory expense, regulatory assets and regulatory liabilities on companies' financial performance and financial position

Main proposals in Exposure Draft (Jan 2021)

- Require recognition of **regulatory assets**, **regulatory liabilities**, **regulatory income** and **regulatory expense**
- Reflect **compensation** for goods or services supplied as part of a company's reported financial performance for the period in which it supplies those goods or services
- Measure regulatory assets and regulatory liabilities using a **cash-flow-based** measurement technique

Next milestone

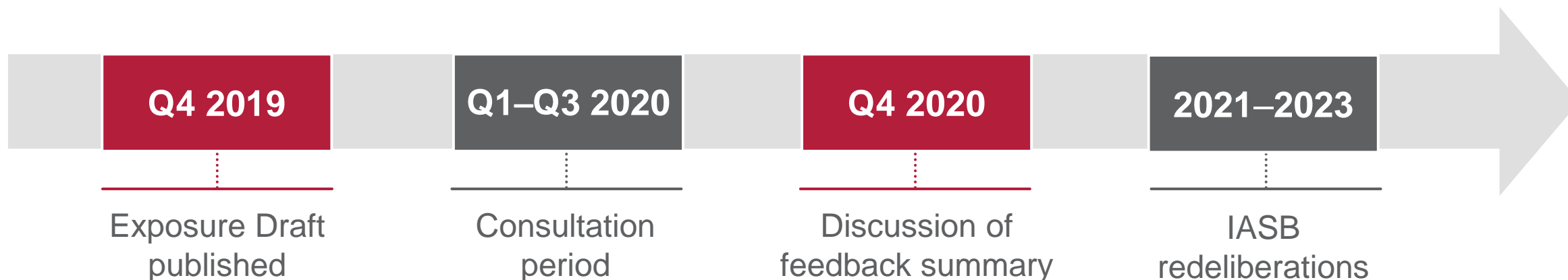
Issue IFRS Accounting Standard

Primary Financial Statements



Project status update

Primary Financial Statements



Objective

- Improve communication in financial statements
- Focus on information included in the statement of profit or loss

Main proposals

- 1 Require additional **defined subtotals** in statement of profit or loss
- 2 Require disclosures about **management performance measures**
- 3 Strengthen requirements for **disaggregating information**

Key factors considered in redeliberations planning



Project objective and focus

Improve how information is communicated in the financial statements, with a focus on the statement of profit or loss



Linkages between topics

Decisions on one topic may affect approach on another topic



Timeliness

Deliver high quality IFRS Accounting Standard in a timely manner



Efficiency

Use staff and IASB time efficiently

Project status by topic

Topic	Proposals redeliberated	Remaining to be discussed
Subtotals	Required subtotals; Classification in categories, general model; Associates and joint ventures; Some of the proposals for entities with specified main business activities	Remaining proposals for entities with specified main business activities; remaining issues for investing and financing categories
Management performance measures	Scope and definition; Disclosure of reconciliation; Single note and cross-referencing	Disclosure of tax and non-controlling interests Use of columns, relationship with segments and other
Disaggregation and other issues	Roles of primary financial statements and notes; General principles Direction for unusual income and expenses; Presentation of operating expenses; Direction for disclosure of operating expenses Statement of cash flows	Definition of unusual income and expenses, related disclosures; Disclosure of operating expenses; Proposals relating to 'other' and other small issues left, including relating to the statement of cash flows



Subtotals

ED proposal for subtotals in the statement of profit or loss

Revenue

Other income

Changes in inventories of finished goods and work in progress

Raw materials used

Employee benefits

Depreciation

Amortisation

Professional fees and other expenses

Operating profit

Share of profit or loss of integral associates and joint ventures

Operating profit and income and expenses from integral associates and joint ventures

Share of profit or loss of non-integral associates and joint ventures

Dividend income

Profit before financing and income tax

Expenses from financing activities

Unwinding of discount on pension liabilities and provisions

Profit before tax

Income tax

Profit for the year

Operating

Integral associates
and joint ventures

Investing

Financing

Application of ED proposals to financial entities

Operating profit is intended to include income and expenses from companies' main business activities.



The Board proposes requirements for some companies, such as banks, to classify income and expenses in the operating category that would otherwise be classified in the investing or financing categories.



Redeliberations on subtotals and categories

What is confirmed from the ED?	What has changed?	Remaining topics to be discussed
<ul style="list-style-type: none"> Requirement for operating profit or loss subtotal and profit before financing and income tax subtotal Definition of operating profit as a default category, includes, but is not limited to main business activities and includes volatile and unusual items Income and expenses to be excluded from operating: investing, financing, income tax and discontinued operations Classify in the investing category income and expenses from assets that generate returns individually and largely independently of other resources held by an entity, retain application guidance and label 'investing category' 	<ul style="list-style-type: none"> Classification of income and expenses from cash and cash equivalents changed from financing to investing category Change in classification within the financing category to 'all income and expenses from liabilities that arise from transactions that involve only raising finance' and 'specified income and expenses from other liabilities' Default category for gains and losses from derivatives & hedging instruments changed from investing to operating category Undue cost or effort relief for FX classification Distinction between integral and non-integral associates and joint ventures removed as well as related subtotal Add application guidance for some income and expenses in investing category, include objective in the Basis for Conclusions, and remove definition of 'income and expenses from investments' Income and expenses from associates and joint ventures classified in investing category 	<ul style="list-style-type: none"> Incremental expenses in investing category Other issues related to the financing category

Redeliberations on entities with specified main business activities

What is confirmed from the ED?	What has changed?	Remaining topics to be discussed
<ul style="list-style-type: none">• Requirement for an entity to assess whether it invests in the course of main business activities or provides financing to customers as a main business activity	<ul style="list-style-type: none">• Requirement to assess at the reporting entity level• Changes in the outcome of the assessment are applied prospectively with disclosure that there has been a change in the outcome of the assessment and information about the effect of the change• Investing in the course of main business activities or providing financing to customers as a main business activity is a matter of fact and not an assertion. An entity will need to apply judgement and the assessment should be based on observable evidence to the extent possible	<ul style="list-style-type: none">• Issues specific to the investing and financing categories• Consequences of the redeliberations on the investing and financing categories• Consequences of the redeliberations on classification of income and expenses from associates and joint ventures accounted for using the equity method• Classification of interest and dividends in the statement of cash flows

A grayscale world map serves as the background, with several thick, curved, light-gray lines overlaid on the left side, suggesting a globe or a stylized architectural element.

Management performance measures

ED proposals for management performance measures

Definition



Subtotals of income and expenses that:

- are used in public communications outside financial statements
- complement totals or subtotals specified by IFRS Accounting Standards
- communicate management's view of an aspect of an entity's financial performance

Other financial performance measures such as free cash flow, or non-financial performance measures such as number of subscribers, would not be included.

Disclosures


Amount &
narrative
description

Including:

- reconciliation between the MPM and the most directly comparable total or subtotal specified by IFRS Accounting Standards; and
- income tax effects and effects on non-controlling interests (NCI)

Redeliberations on management performance measures

What is confirmed from the ED?	What has changed?	Remaining topics to be discussed
<ul style="list-style-type: none"> • Requirement for disclosure of MPMs in financial statements • Scope of MPMs would not be beyond the income and expense subtotals • Reference to management's view of an aspect of an entity's performance in the definition of MPMs • Requirement for an entity to disclose why an MPM communicates management's view of performance • Requirement to disclose a reconciliation • Requirement to disclose in single note 	<ul style="list-style-type: none"> • Subtotal of income and expense used in the numerator or denominator of a ratio is MPM • In the definition, remove the reference to 'complementing' • Introduce a rebuttable presumption that a subtotal used in public communications represents management's view of an aspect of the entity's financial performance, and add application guidance on rebuttal • Add application guidance, and refer to general requirement for faithful representation, removing specific requirement • Application guidance for disclosure of why an MPM communicates management's view of performance • Disclose, for each reconciling item, amount(s) related to each line item in the statement(s) of financial performance 	<ul style="list-style-type: none"> • Disclosure requirements including tax and non-controlling interests • Disclosures relating to changes in MPMs • Timing of public communications • Interaction with other requirements including segments • Other proposals including use of columns



Disaggregation and other topics

ED proposals on disaggregation

Roles of the primary financial statements and the notes

- Roles of the primary financial statements and the notes clearly described
- Use the description to determine whether information should be included in the primary financial statements or in the notes

Principle for aggregation and disaggregation

- Principles for aggregation and disaggregation of information
- Guidance to apply the principles

Required line items

- New required line items, including goodwill and separate line items for integral and non-integral associates and joint ventures

Analysis of operating expenses

- Use method for analysis of operating expenses (by nature or by function) that provides the **most useful information** (not a free choice)
- Disclose analysis of **total** operating expenses by **nature** in the notes if analysis by function is presented in the statement of profit or loss

ED proposals on unusual income and expenses

Definition



Income and expenses have limited predictive value when it is reasonable to expect that income or expenses that are similar in type and amount will not arise for several future annual reporting periods.

Income and expenses from the recurring remeasurement of items measured at a current value would not normally be classified as unusual.

Disclosures

Amount &
narrative
description

Amount disaggregated by:

- line items presented in statement of profit or loss; and
- line items disclosed in analysis of operating expenses by nature, if the entity analyses expenses by function in the statement of profit or loss

Redeliberations on disaggregation

What is confirmed from the ED?	What has changed?	Remaining topics to be discussed
<ul style="list-style-type: none">• Roles of primary financial statements and notes• Principles of disaggregation – with refinements• Not reinstate para 29 of IAS 1 requiring to separately present dissimilar items unless immaterial• Nature and function primary characteristics for presentation of operating expenses• Present goodwill separately from intangible assets• Present required line items in each affected category in statement of profit or loss	<ul style="list-style-type: none">• Include a reference to understandability in the description of the role of financial statements• Emphasise that single dissimilar characteristic can be enough to disaggregate if it is material• State the purpose of disaggregation more clearly and strengthen the application of disaggregation• Provide additional guidance to apply the principles, both in the primary financial statements and the notes• Removed the proposed prohibition on a mixed presentation approach for operating expenses• Remove ‘limited predictive value’ from definition of unusual items and add application guidance• Revise the general principle for the presentation of line items and add application guidance	<ul style="list-style-type: none">• The rest of the definition of unusual income and expenses and related disclosures• Requirements for disclosure of operating expenses by nature in the notes when an entity reports operating expenses by function in the statement of profit or loss• Requirements for selecting method of presentation of operating expenses• Specified and additional subtotals• Proposals relating to ‘other’ items

Redeliberations on other topics

What is confirmed from the ED?	What has changed?	Remaining topics to be discussed
<ul style="list-style-type: none">• Requirement of operating profit or loss subtotal as the starting point for the indirect method of reporting cash flows from operating activities• Interest and dividends paid classified as financing activities, and dividends received classified as investing activities in the statement of cash flows	<ul style="list-style-type: none">• Amend the specified subtotal 'operating profit or loss before depreciation and amortisation' to exclude impairments of assets within the scope of IAS 36• Label the amended specified subtotal as 'operating profit or loss before depreciation, amortisation, and specified impairments'• Not explicitly to prohibit 'EBITDA' as a label for an 'operating profit or loss before depreciation, amortisation and specified impairments' subtotal, but to explain in the Basis for Conclusions that such a label would rarely be a faithful representation for the subtotal	<ul style="list-style-type: none">• Classification of interest received in the statement of cash flows• Proposals for labelling of items of other comprehensive income• Requirements carried over from IAS 1 <i>Presentation of Financial Statements</i>• Amendments to other IFRS Accounting Standards; IFRS 12 <i>Disclosure of Interests in Other Entities</i>, IAS 33 <i>Earnings Per Share</i> and IAS 34 <i>Interim Financial Reporting</i>• Transition provisions and effective date

A grayscale world map serves as the background. Overlaid on the left side are several concentric, curved lines that sweep across the map, suggesting a global or interconnected theme. The lines are composed of a solid gray arc and a dotted gray arc.

Maintenance projects

Lack of Exchangeability

Objective

- Improve usefulness of information provided by requiring a consistent approach to determining whether a currency is exchangeable into another currency and the exchange rate to use when it is not

Proposed amendments to IAS 21

- Specify when exchangeability between two currencies is lacking and **how to make** that assessment
- **Estimate the spot exchange rate** when exchangeability is lacking
- **Disclose** how the lack of exchangeability affects, or is expected to affect, the company's financial performance, financial position, and cash flows

Next milestone

Decide project direction

Lease Liability in a Sale and Leaseback

Objective

- Improve the measurement requirements for sale and leaseback transactions —particularly those with variable payments

Proposed amendments to IFRS 16

- Specify **subsequent measurement requirements** for the lease liability in a sale and leaseback transaction
- Require retrospective application of the amendments applying IAS 8
- Effective on 1 January 2024, with earlier application permitted

Next milestone

Issue amendment to IFRS 16

Non-current Liabilities with Covenants

Objective

- Improve the information about liabilities with covenants provided through classification (as current or non-current), presentation and disclosure in financial statements

Proposed amendments to IAS 1

- Specify that covenants with which a company must comply **after the reporting period** do not affect classification of a liability as current or non-current at the end of the reporting period
- Add **presentation and disclosure requirements** for non-current liabilities subject to covenants
- Clarify situations in which a company **does not have a right to defer settlement**

Next milestone

Discuss Exposure Draft Feedback

Provisions—Targeted Improvements to IAS 37

Objective

- Develop proposals for three targeted amendments to *IAS 37 Provisions, Contingent Liabilities and Contingent Assets*

Targeted amendments

- **Align requirements** for identifying liabilities with *Conceptual Framework*
- Clarify which **costs** to include in measure of a provision
- Specify whether **discount rates** used should reflect company's own credit risk

Next steps

Staff will prepare a project plan for consideration by the IASB

Supplier Finance Arrangements

Objective

- Provide information that enable investors to assess the effects of supplier finance arrangements on a company's liabilities and cash flows

Proposed amendments to IAS 7 and IFRS 7

- **Describe** the characteristics of an arrangement for which a company would be required to provide the proposed disclosure
- Add **qualitative and quantitative disclosure** requirements for supplier finance arrangements to meet the disclosure objective
- **Highlight** the required disclosure of liquidity risk and risk management and of non-cash changes in financing liabilities arising from supplier finance arrangements

Next milestone

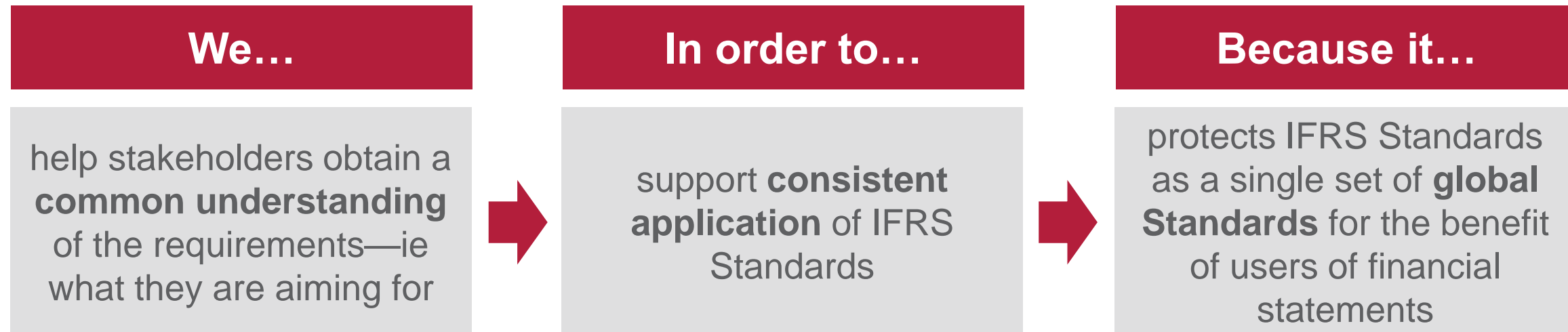
Discuss Exposure Draft Feedback



Supporting consistent application of IFRS Standards

What we have been doing to support Standards in effect

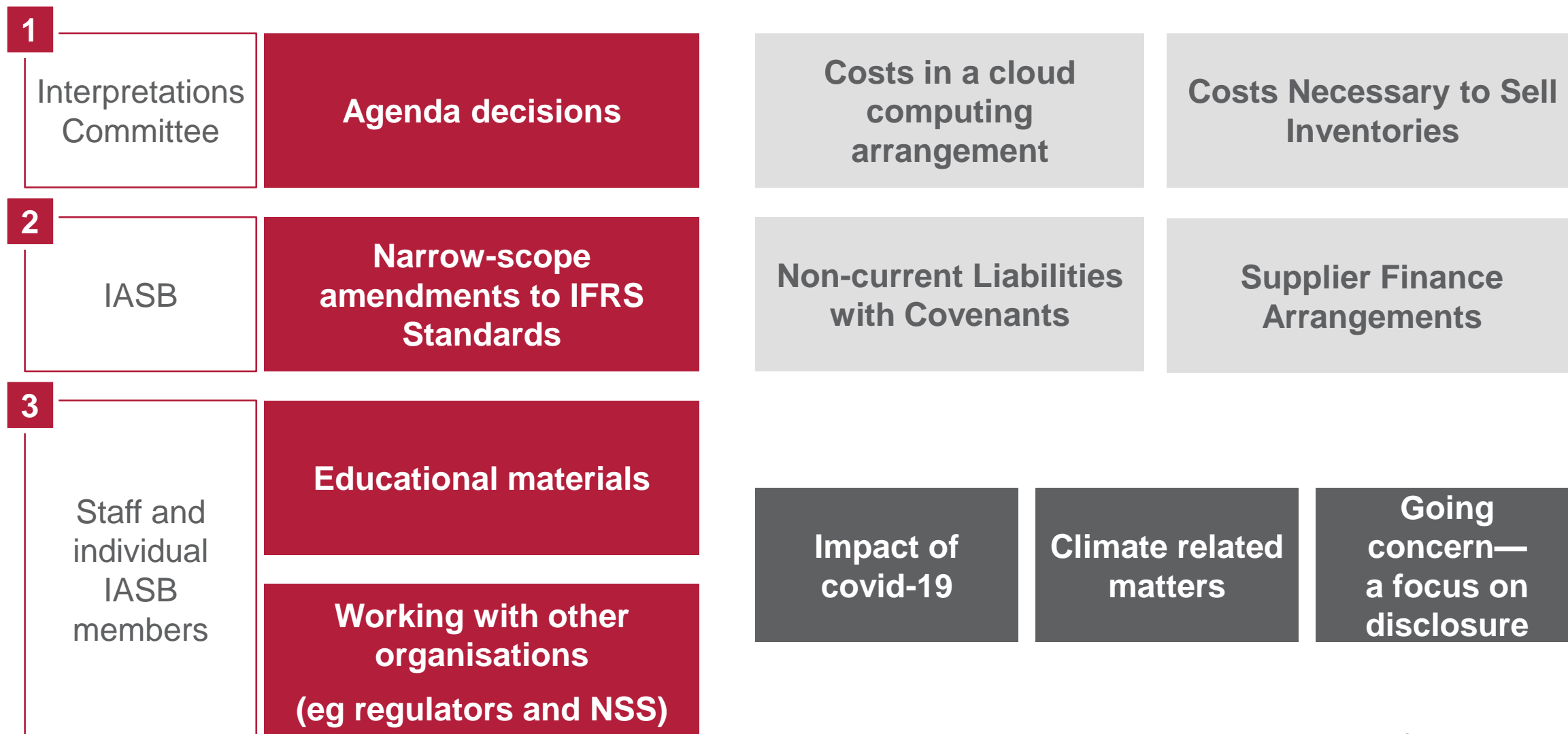
Why we support consistent application



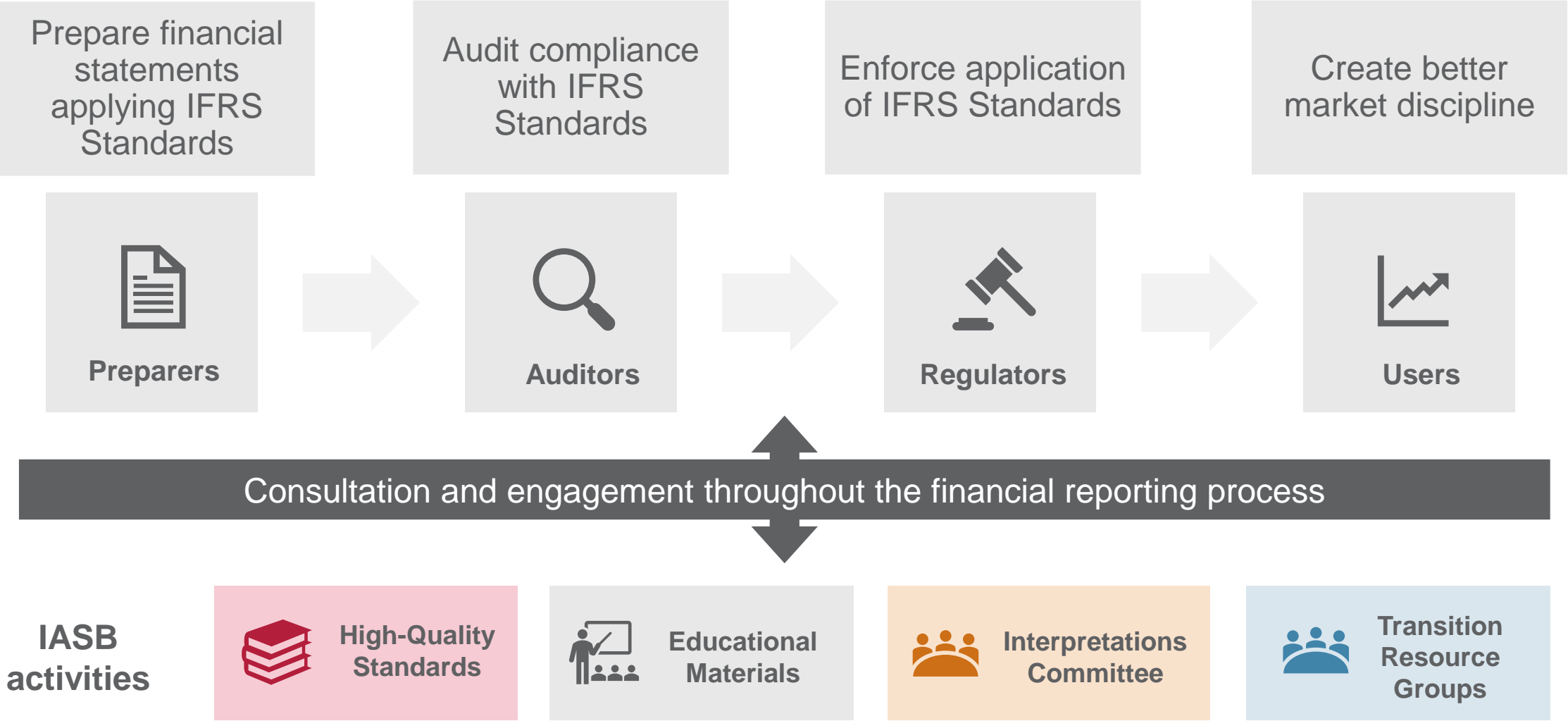
What's the challenge?



How we support consistent application



Our role versus the role of others



A grayscale world map is visible in the background, showing the continents. Overlaid on the map are several concentric, curved lines that sweep across the frame from the bottom left towards the top right. These lines are composed of a solid gray outer band and a dotted gray inner line.

New requirements

What is required when?

1 January 2022	1 January 2023	1 January 2024
<i>Property, Plant and Equipment: Proceeds before Intended Use</i> (Amendments to IAS 16)	IFRS 17 <i>Insurance Contracts</i>	<i>Classification of Liabilities as Current or Non-current</i> (Amendments to IAS 1)*
<i>Reference to the Conceptual Framework</i> (Amendments to IFRS 3)	<i>Definition of Accounting Estimates</i>	
<i>Onerous Contracts—Cost of Fulfilling a Contract</i> (Amendments to IAS 37)	<i>Disclosure of Accounting Policies</i>	
<i>Annual Improvements to IFRS Standards 2018–2020</i>	Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)	

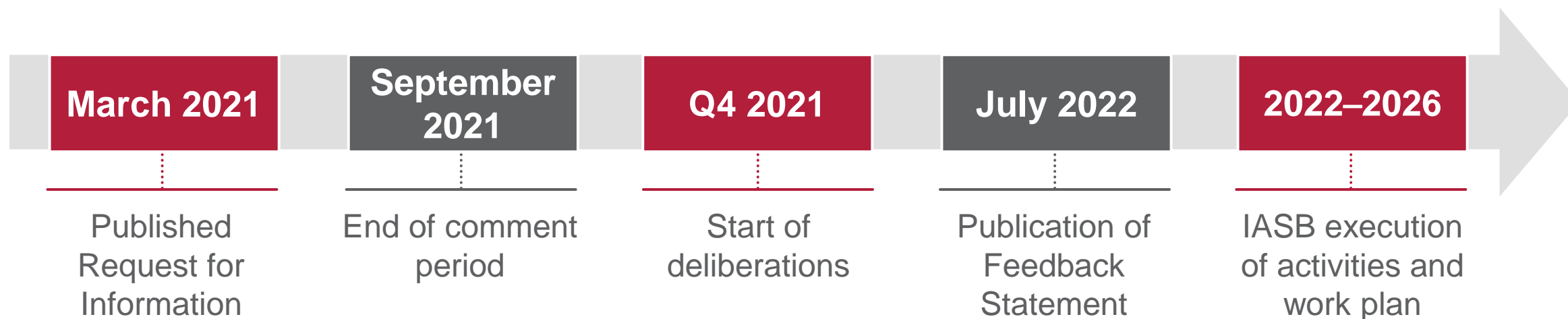
* The IASB is proposing to defer the effective date of the amendments to no earlier than 1 January 2024



Strategy and Governance projects

Third Agenda Consultation

Third Agenda Consultation



Feedback will help the IASB determine its priorities and work plan from 2022 to 2026

Objective of the consultation—to seek views on

- 1 the strategic direction and balance of the IASB's activities
- 2 the criteria for assessing the priority of financial reporting issues that could be added to the IASB's work plan
- 3 new financial reporting issues that could be given priority in the IASB's work plan

1 Strategic direction and balance of the IASB's activities



After considering cross-cutting themes, such as implications of connectivity with the International Sustainability Standards Board (ISSB), and consistent with stakeholders' feedback, the IASB decided:

- to begin no new activities within the current scope of its work; and
- to leave its current level of focus on its main activities largely unchanged.

Activity	Current level of focus	IASB's decision
New Accounting Standards and major amendments	40%–45%	Slightly decrease
Maintenance and consistent application	15%–20%	Leave unchanged
The <i>IFRS for SMEs</i> Standard	5%	Leave unchanged
Digital financial reporting	5%	Slightly increase
Understandability and accessibility of Accounting Standards	5%	Slightly increase (indirect support of maintenance and consistent application)
Stakeholder engagement	20%–25%	Leave unchanged

2 Criteria for assessing priority of financial reporting issues that could be added to the IASB's work plan



The IASB decided:

- not to reprioritise projects on its current work plan, but to continue working on those projects.
- not to make any changes to the list of criteria but to proceed with the list as proposed in the Request for Information.

Overarching consideration

whether a potential project will meet investors' needs, while taking into account the costs of producing the information

- ① the importance of the matter to **investors**
- ② whether there is a **deficiency** in current reporting
- ③ the **type of companies** affected and jurisdictions where the matter is more prevalent
- ④ how **pervasive or acute** the matter is likely to be for companies
- ⑤ the potential project's **interaction with other projects**
- ⑥ the **complexity and feasibility** of the potential project and its solutions
- ⑦ the **capacity** of the IASB and its stakeholders to progress the potential project

3 Financial reporting issues to add to the IASB's work plan



The IASB decided:

- to add two projects to the research project pipeline;
- to add a project to the maintenance project pipeline to investigate whether narrow-scope standard-setting is needed in relation to climate-related risks; and
- to create a reserve list of two projects that could be added to the work plan only if additional capacity becomes available.

Research pipeline projects

Intangible assets



Statement of cash flows and related matters



Maintenance and consistent application project

Climate-related risks



Reserve list

Operating segments



Pollutant pricing mechanisms





IFRS Taxonomy

IFRS Taxonomy

IFRS Taxonomy facilitates communication between preparers and users



consists of '**elements**' used by preparers to mark-up the information in IFRS financial statements

makes IFRS disclosures **more accessible to users** of electronic information

IFRS Taxonomy reflects the presentation and disclosure *requirements of IFRS Standards* and related common *reporting practice* in a timely and accurate manner

IFRS Accounting Taxonomy: focus areas in 2022

New and amended IFRS Accounting Standards

keeping the taxonomy in line with the issued standards

looking ahead to significant changes (eg Primary Financial Statements)

Content improvements

enabling high-quality tagging of the primary statements

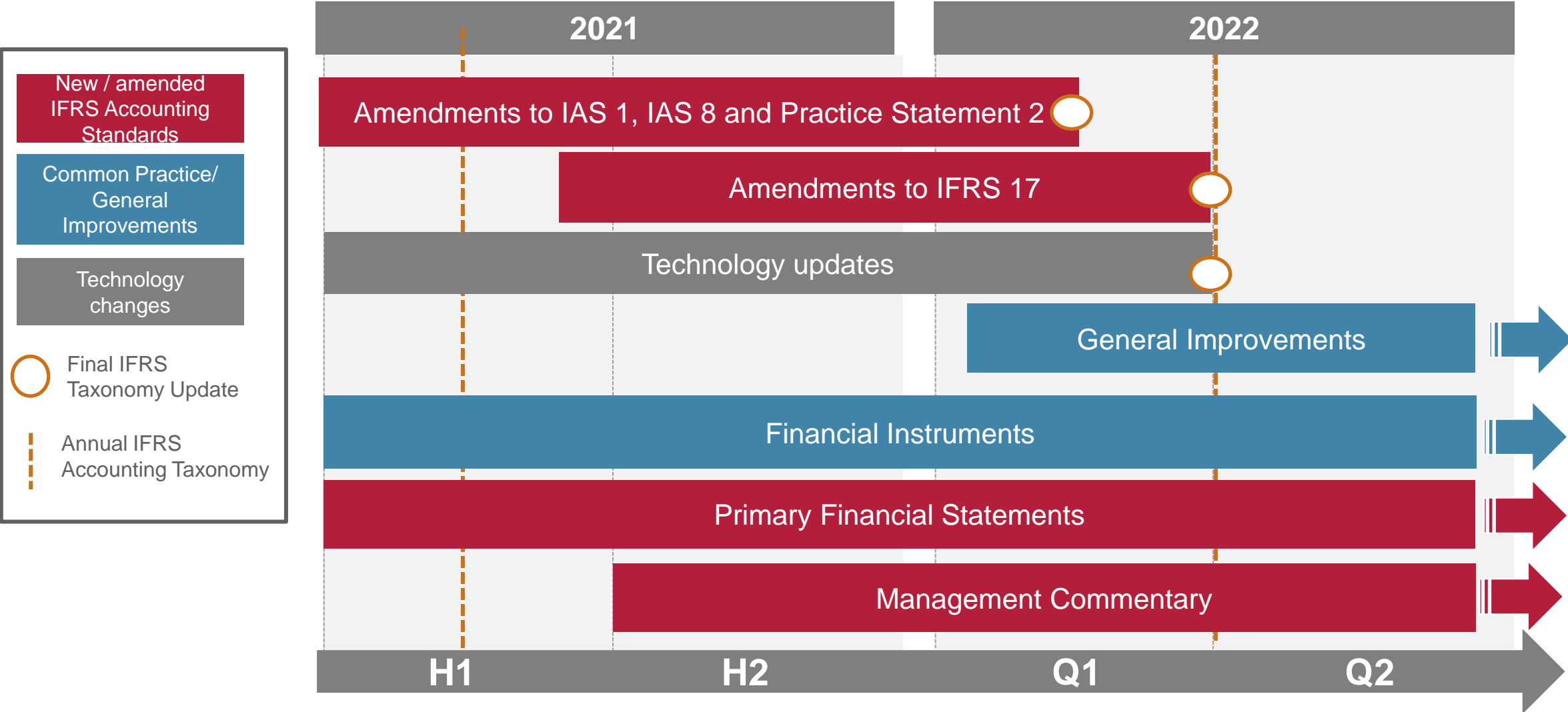
analysing reporting practice of IFRS electronic filers

Implementation support

supporting regulators adopting the IFRS Accounting Taxonomy, including translations

updating supporting materials

2021–22 updates to the IFRS Accounting Taxonomy





ISSB work

COP26 / ISSB announcement



1. **Establish** International Sustainability Standards Board (ISSB)
2. **Consolidate** Climate Disclosure Standards Board and Value Reporting Foundation (IIRC and SASB)
3. **Publish** general disclosure and climate prototypes **as a precursor** to ISSB proposals (exposure drafts)

ISSB focus



Develop standards for global baseline of sustainability disclosures and a digital taxonomy to enable electronic tagging of disclosures



Focus on meeting the information needs of investors

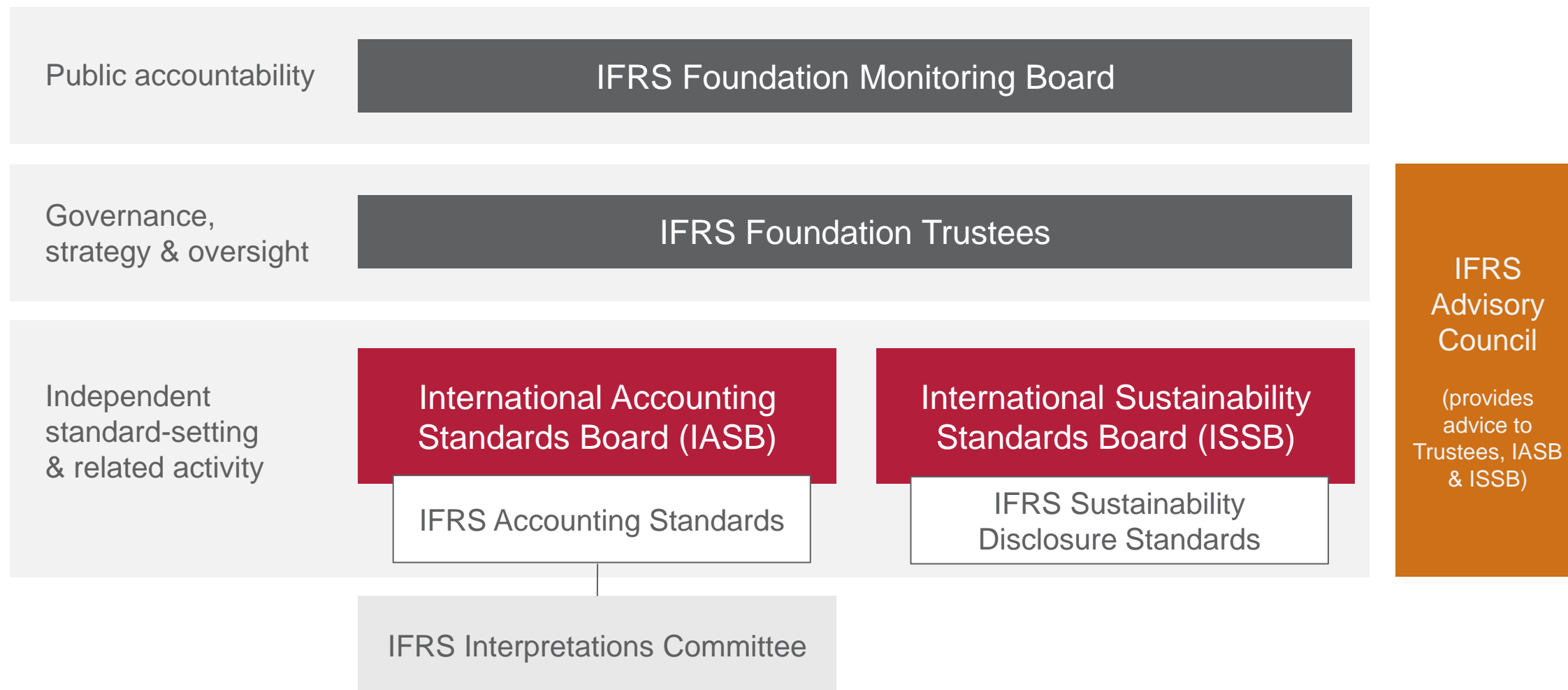


Will enable companies to provide comprehensive sustainability information for the global capital markets

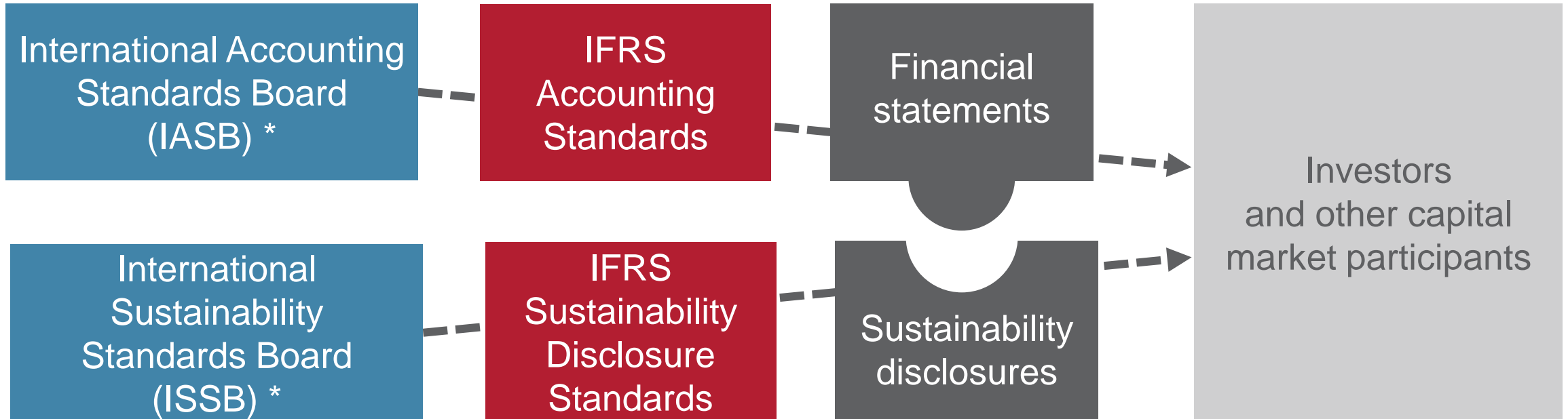


Building blocks approach: facilitate the addition of requirements that are jurisdiction-specific or aimed at a broader group of stakeholders

IFRS Foundation Governance structure



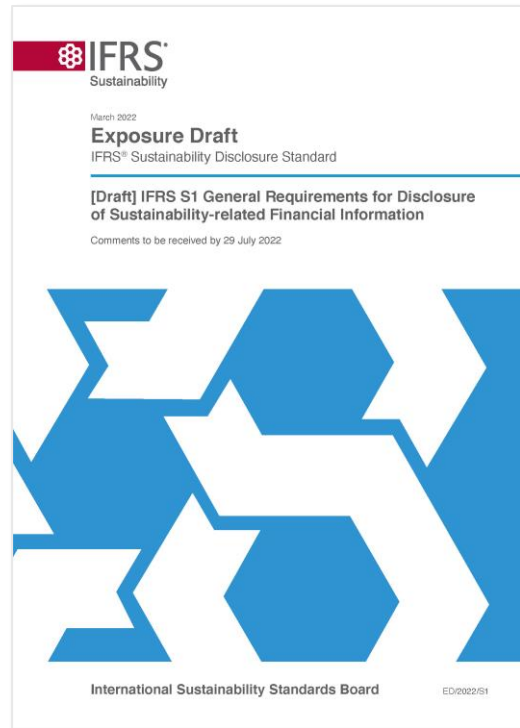
Achieving compatibility between IFRS Accounting Standards & IFRS Sustainability Disclosure Standards



- Integrated Reporting Council to advise IASB and ISSB on connectivity via fundamental concepts / guiding principles of integrated reporting
- IFRS Sustainability Disclosure Standards compatible with IFRS Accounting Standards or other GAAP to meet investor needs

Two proposed IFRS Sustainability Disclosure Standards

1



General Requirements
Exposure Draft

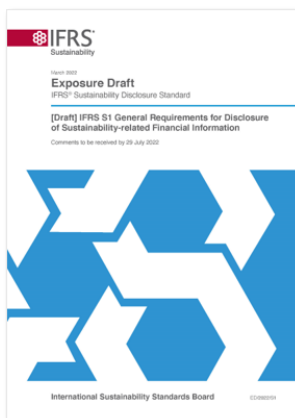
2



Climate
Exposure Draft

Consistency with IFRS Accounting Standards

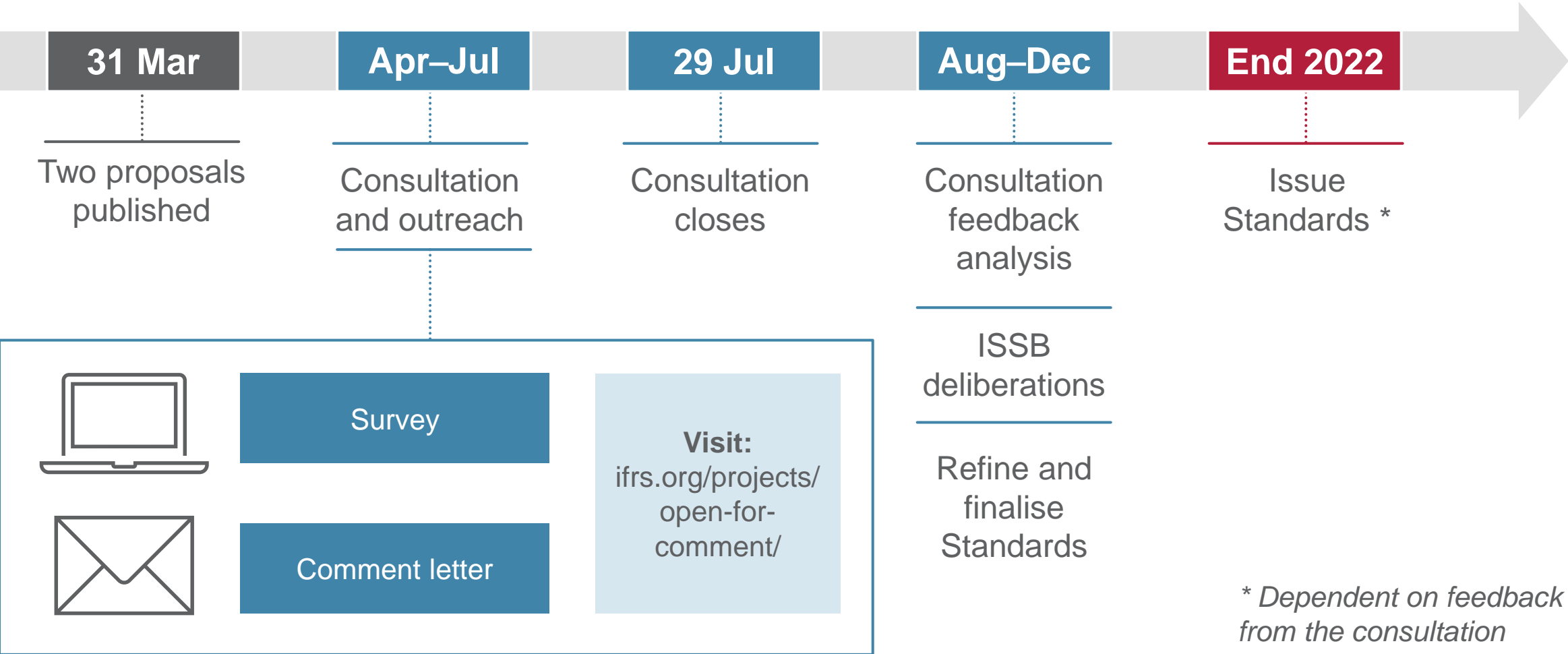
ISSB's exposure drafts include proposed definitions and requirements consistent with the IASB's IFRS Accounting Standards.



ISSB's General Requirements Exposure Draft is equivalent to:

- IAS 1 *Presentation of Financial Statements*
- IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*

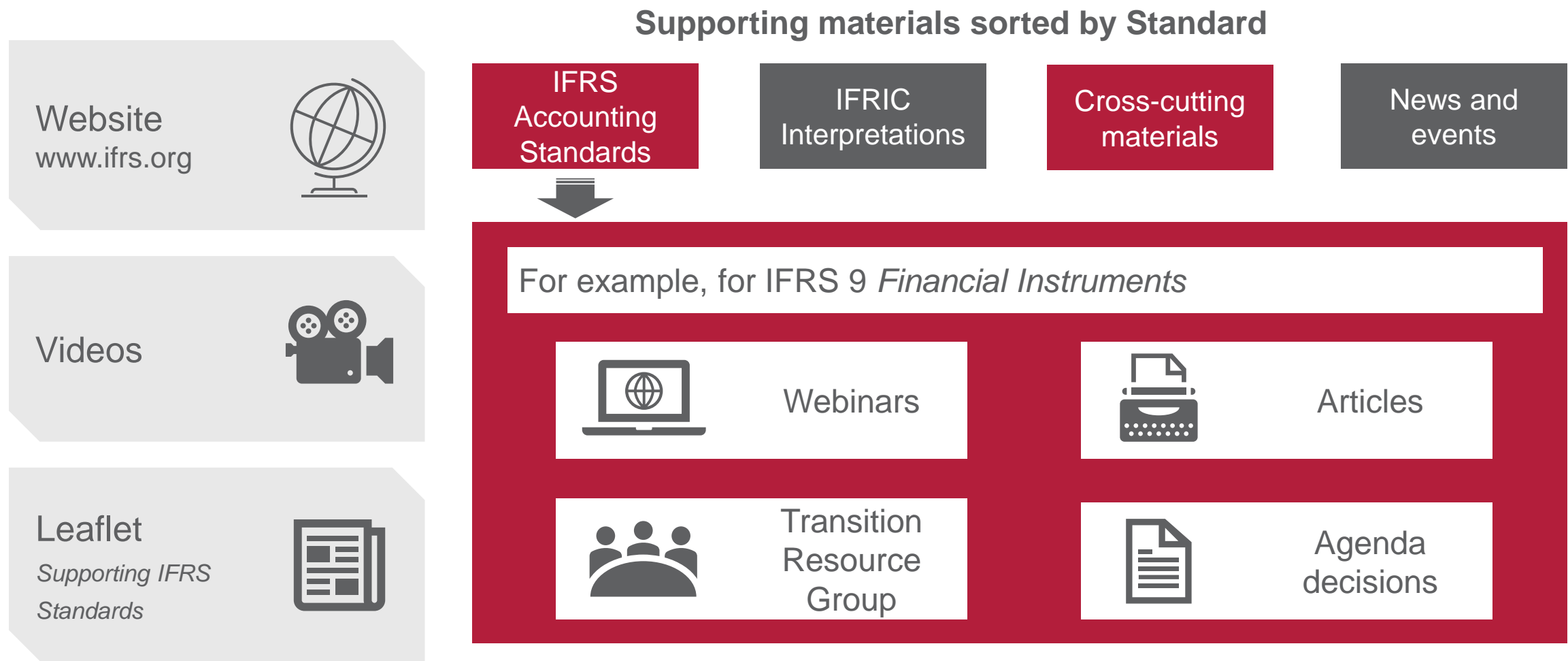
Next steps for the two ISSB Exposure Drafts



A grayscale world map is visible in the background, showing the continents. Overlaid on the map are several concentric, curved lines that sweep across the frame from the bottom left towards the top right. These lines include both solid and dotted segments.

Helpful materials

Resources available on our website



www.ifrs.org/supporting-implementation/supporting-materials-by-ifrs-standard/ifrs-9/

IFRS Standards and their Annotated equivalents



IFRS Standards

The IFRS[®] Standards
Required 2022

The IFRS[®] Standards
Issued 2022

IFRS Standards + extensive cross-references + annotations

The Annotated IFRS[®]
Standards Required 2022

The Annotated IFRS[®]
Standards Issued 2022

Annotated IFRS Standards also available in Spanish

IFRS Foundation Conference



- **Hybrid event** where delegates can attend in-person or virtually
- Unique opportunity to get a comprehensive update on the latest developments at the IFRS Foundation and to network with regulators and companies using IFRS Standards in their reporting and others
- The International Accounting Standards Board will bring you up-to-date on its priorities and ongoing work plan
- This year's conference will also provide opportunities for you to meet and engage with members and technical staff of the International Sustainability Standards Board
- Find out more: IFRS - IFRS Foundation Conference 2022

Find us online



ifrs.org



@IFRSFoundation



IFRS Foundation



IFRS Foundation



International Accounting Standards Board



International Sustainability Standards Board