Beyond the GAAP

Mazars' monthly newsletter on financial and sustainability reporting

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Editorial

As the half-yearly reporting period draws to a close, Beyond the GAAP brings you the list of texts published by the IASB, including the IAS 12 amendments taking account of OECD's Pillar Two and the amendments to IAS 7 and IFRS 7 relating to supplier finance arrangements, both published this month. The list indicates whether these texts are mandatory or optional, depending on the progress of the European endorsement process.

There is still a great deal of news on the sustainability disclosure standards front, demonstrating the need to move forward as quickly and effectively as possible. On 4 May, the International Sustainability Standards Board (ISSB) published a Request for Information to gather stakeholders' views on the priorities that the ISSB should consider when setting its work plan now that the first two standards, IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures*, have been finalised (their publication is expected by the end of June 2023).

IFRS Highlights

OECD Pillar Two: publication of final amendments to IAS 12

At the end of May, the International Accounting Standards Board (IASB) published its final amendments to IAS 12 *International Tax Reform—Pillar Two Model Rules* (the IASB press release is available here).

We refer you to our previous issue (Beyond the GAAP no 176 of April 2023) for a description of these amendments.

Final amendments to IAS 7 and IFRS 7 on supplier finance arrangements

At the end of May, the IASB published its final amendments to IAS 7 and IFRS 7 *Supplier Finance Arrangements*, providing for new disclosures on these arrangements, commonly known as "reverse factoring" (the IASB press release is available here).

These amendments result from an exposure draft published in November 2021 and supplement the IFRS Interpretations Committee's agenda decision of December 2020 on how to account for these agreements in the statement of financial position and the cash flow statement.

The disclosures provided are intended to enable users of the financial statements of entities using these arrangements to:

- assess the impact of such arrangements on the entity's liabilities and cash flows;
- understand their effect on the entity's exposure to liquidity risk and how the entity might be affected if these arrangements were no longer available to it.

The amendments require entities that use such arrangements to disclose:

- the terms and conditions of each supplier finance arrangement;
- the following quantified information, at the start and end of the reporting period:
    - the carrying amount of financial liabilities that are part of the arrangement and the line item(s) in which those financial liabilities are presented;

  - the carrying amount of those financial liabilities for which suppliers have already received payment from the finance providers, and the line item(s) in which they are presented;
  - the range of payment due dates of financial liabilities that are part of a supplier finance arrangement and those of comparable trade payables that are not part of a supplier finance arrangement;
- the nature and effects of non-cash changes in the carrying amounts of financial liabilities that are part of a supplier financing arrangement.

These amendments will come into effect for reporting periods that are current at 1 January 2024, subject to endorsement by the European Union.

Transitional relief is available for comparative information in the annual accounts for the year of first application and for disclosures in the interim accounts during the first year of application.

Redeliberations continue on Goodwill and Impairment project

On 24 May, the IASB met to discuss its Goodwill and Impairment project, in particular the proposed changes to IAS 36 *Impairment of Assets* in relation to the impairment test of cash-generating units containing goodwill.

At the end of this meeting, the IASB tentatively decided to retain the requirement to perform a quantitative impairment test annually, rejecting the alternatives suggested in the Discussion Paper *Business Combinations—Disclosures, Goodwill and Impairment*.

On the same topic, the IASB tentatively decided that it was not feasible to design a different impairment test that would, at a reasonable cost, be significantly more effective than the impairment test currently required by IAS 36.

Eighth compilation of IFRS IC agenda decisions

On 4 May, the IFRS Foundation published the eighth compilation of IFRS IC agenda decisions taken between November 2022 and April 2023. This compilation (available here) contains just one decision, concerning the definition of a lease and the analysis of substitution rights (see Beyond the GAAP no 176 of April 2023).

Redeliberations continue on Primary Financial Statements project

At its meeting of May 2023, the IASB continued its redeliberations on the proposals set out in the *General Presentation and Disclosures* Exposure Draft.

Several topics were again discussed:

- associates and joint ventures accounted for using the equity method; and
- issues relating to management performance measures and operating segment information.

Associates and joint ventures accounted for using the equity method

Readers will recall that in October 2021 the IASB tentatively decided to require all entities to classify income and expenses from equity-accounted associates and joint ventures in the investment category of the income statement.

During the round tables organised by the IASB between September and November 2022, this tentative decision raised a number of questions, particularly from representatives of the insurance sector, who were concerned that such income and expenses would be excluded from the operating category.

We understand that this was the context in which the IASB chose to re-open this topic. After further deliberations, the IASB ultimately maintained its tentative decision, while introducing a change to the first-time application provisions of the future standard.

The IASB tentatively decided to provide transition requirements that will permit an entity to elect to measure investments in associates or joint ventures (previously accounted for using the equity method) at fair value through profit or loss, when these investments are directly or indirectly held by an investor that is a venture capital organisation, a mutual fund, unit trust or similar entities including investment-linked insurance funds (using the same categories as in paragraph 18 of IAS 28). Entities that choose this option should present the resulting changes in fair value in the operating category when these investments are made in the course of the entity's main business activity.

The IASB also tentatively decided to withdraw the new paragraph 38A of IAS 7 proposed in the Exposure Draft which would have required dividends received from associates and joint ventures accounted for using the equity method to be classified as cash flows from investing activities.

The withdrawal of this paragraph means that dividends received from associates and joint ventures accounted for using the equity method will be presented in the cash flow statement applying the guidance applicable to the entity for other dividends received.

Thus, in practice, all dividends received (whatever the nature of the underlying investment) should be classified in one single category of the cash flow statement:

- entities other than those with a specified main business activity (i.e. corporates) would classify dividends received as cash flows arising from investing activities;
- entities with a specified main business activity – such as financial institutions – should choose whether to present them as cash flows from operating, investing or financing activities.

Issues relating to management performance measures and operating segment information

The IASB wished to clarify the relationship between performance measures determined by management and the segment information required under IFRS 8 *Operating Segments*.

It has therefore tentatively clarified that management performance measures are measures that reflect management’s view of the performance of the entity as a whole.

Our reading of the Staff Paper 21B suggests that the amounts reported for each individual segment will not necessarily meet the definition of a management performance measure. This is because segment measures apply to a part of the entity's business and not to the business as a whole. Nonetheless, in the case of an entity with a single operating segment, the amounts presented for this segment (in application of IFRS 8) may meet this definition.

The IASB also confirmed the proposal in paragraph B83 of the Exposure Draft, which states that, if one or more of an entity’s management performance measures are the same as part of the operating segment information disclosed by the entity in applying IFRS 8, the entity may disclose information about those management performance measures in the same note as the operating segment information, provided that:

- the entity includes in that note all the information required to be disclosed for management performance measures (see paragraph 106 of the Exposure Draft); or
- the entity includes in a separate note all the information required for management performance measures.

FICE project: ongoing discussions of proposed amendments to IAS 32 and IFRS 7

In April and May, the IASB continued its deliberations on the classification of financial instruments as debt or equity instruments (Financial Instruments with Characteristics of Equity, “FICE”).

Readers will recall that the purpose of this project is to clarify the principles of IAS 32, to address the issues of its practical application and to improve the disclosures.

The tentative decisions taken by the IASB during these meetings essentially relate to the inclusion of new disclosures and to the transitional arrangements for the proposed amendments to IAS 32, IFRS 7 and IAS 1.

Proposed amendments to IFRS 7 – *Financial instruments: Disclosures*

During its April 2023 discussions, the IASB proposed to amend IFRS 7 by:

- adding an overall objective to IFRS 7 to enable users of financial statements to understand how an entity is financed and what its current and potential ownership structures are. This can be broken down into more specific objectives, such as providing information that enables users of the financial statements to understand:
    - the nature, amount, timing and uncertainty of cash flows arising from issued financial instruments;
    - dilution that could arise from any potential increase in the number of issued ordinary shares; and
    - the nature and priority of claims, and the risks and returns on financial instruments in the event of liquidation of the entity;
- including in the scope of the standard derivatives that meet the definition of equity instruments under IAS 32, which are currently excluded (IFRS 7.3(a)).

The IASB also returned to its tentative decisions of April 2021 concerning disclosure requirements on the terms and conditions of equity and debt instruments (see Beyond the GAAP no 172 of December 2022), and tentatively decided to refine and expand these disclosures by:

- including explanations and examples of ‘debt-like’ and ‘equity-like’ features in the forthcoming exposure draft;
- clarifying that the disclosures of ‘debt-like’ and ‘equity-like’ features would include both quantitative and qualitative information, including disclosures on clauses representing economic compulsion for the issuer;
- requiring an entity to disclose the amounts allocated initially to the financial liability and equity components of compound financial instruments;
- requiring an entity to disclose the significant judgements it made in classifying the financial instrument, or its component parts, as a financial liability or as equity, for example judgements relating to the assessment of the discretionary nature of decisions taken by the entity's shareholders, or

the "fixed-for-fixed" condition (see Beyond the GAAP no 174 of February 2023);

- requiring an entity to disclose, if applicable, information about terms and conditions that become, or stop being, effective with the passage of time before the end of the contractual term of the instrument, in order to capture changes in the contractual substance of the instrument that do not result in a reclassification (e.g. a convertible instrument initially classified as a debt whose conversion ratio becomes fixed as a result of the passage of time).

Finally, the IASB has tentatively decided to require new disclosures on the following topics:

- reclassification of instruments: relocation of the disclosure requirement in paragraph 80A of IAS 1 *Presentation of Financial Statements* to IFRS 7, expanding it to cover reclassifications when changes in the substance of the contractual terms arise from changes in circumstances outside the contract. An entity would be required to disclose the amounts reclassified into and out of financial liabilities or equity, and the timing and reason for that reclassification.
- for instruments containing obligations to redeem equity instruments (see Beyond the GAAP no 169 of September 2022):
    - the amount of the financial liability representing the obligation and the equity component against which the debt has been charged;
    - the amount of remeasurement gain or loss recognised in profit or loss during the reporting period;
    - the amount of gain or loss, if any, that was recognised on settlement if the obligation is settled during the reporting period;
    - the amount reclassified in equity if a written put option has expired unexercised;
    - if applicable, the cumulative amount in retained earnings corresponding to the remeasurement of the debt which has been reclassified in another component of equity and the designation of this component;
- financial liabilities containing contractual obligations to pay amounts based on an entity's performance or changes in the entity's net assets: amendment to paragraph 20(a)(i) of IFRS 7 to require the separate disclosure of the total gains or losses in each reporting period that arise from remeasuring this category of financial liabilities, following on from the tentative decisions taken in December 2022 (see Beyond the GAAP no 174 of February 2023).

Transition requirements for amendments to IAS 32, IFRS 7 and IAS 1

The IASB tentatively decided:

- to require an entity to apply the amendments proposed as part of the FICE project retrospectively, with the restatement of comparative information;
- to propose the following transitional arrangements for entities already applying IFRS:
    - where a liability component is remeasured as a result of the application of the amendments, to treat the fair value at the beginning of the earliest comparative period presented as the amortised cost of the financial liability at that date if it is impracticable for the entity to

  - apply the effective interest method retrospectively;
  - not to require the entity to separate the debt and equity components if the liability component of a compound financial instrument with a contingent settlement provision was no longer outstanding at the date of initial application;
  - to require the entity to disclose the nature and amount of any changes in the classification of financial instruments resulting from initial application of the amendments;
  - to provide transition relief from the quantitative disclosures in paragraph 28(f) of IAS 8 (i.e. amounts of adjustments arising from the application of the amendments to each line item in the financial statements affected and to basic and diluted earnings per share for entities applying IAS 33);
  - not to provide any transition relief from the requirements in IAS 34 for interim financial statements issued within the annual period in which the entity first applies the amendments;
- for first-time IFRS adopters, not to propose any additional transition relief.

Following its re-deliberations in May 2023, the IASB decided to set a 120-day comment period for the forthcoming Exposure Draft on the FICE project, which is expected to be published in the second half of 2023.

ISSB: publication of an exposure draft to enhance the international applicability of SASB standards

On 11 May, the International Sustainability Standards Board (ISSB) published an exposure draft, available here, proposing a methodology to enhance the international applicability of the Sustainability Accounting Standards Board's Standards. The 90-day comment period runs until 9 August. Stakeholders are invited to answer the questions which can be found here.

The SASB was consolidated in the Value Reporting Foundation in June 2021, following the merger with the International Integrated Reporting Council. The VRF itself was subsequently incorporated into the IFRS Foundation in August 2022. The ISSB is therefore now responsible for the stewardship of the SASB Standards.

The SASB framework, which consists of 77 sustainability reporting standards with an industry-based approach, is currently used by more than 2,500 entities in over 70 jurisdictions around the world. The application of IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* is expected to increase the number of entities applying the SASB Standards, as IFRS S1 will require entities to refer to these standards and take them into account when identifying sustainability-related risks and opportunities and when developing appropriate disclosures to address them.

This exposure draft aims to propose a methodology for the efficient removal and replacement of jurisdiction-specific references and definitions in order to improve the usefulness of the SASB Standards.

The ISSB believes that this project will only affect 20% of the approximately 1,000 metrics in the SASB Standards. This is because some metrics are applicable regardless of jurisdiction. In addition, the work carried out as part of IFRS S2 *Climate-related Disclosures* has already enhanced the applicability of climate-related indicators (IFRS S2 will include an illustrative guide based on SASB Standards for the presentation of sector-specific disclosures). The metrics addressed by the exposure draft are therefore those that are not climate-related, representing around 65% of the total SASB metrics.

According to the ISSB, these enhancements will preserve the structure, completeness and intent of the SASB Standards bearing in mind that the proposed methodology builds on the approach already adopted as part of the work to develop IFRS S2.

In practice, the ISSB proposes to use five different revision approaches, these approaches being prioritised and used in descending order of preference, seeking first to replace standards, definitions or calculation methods that include jurisdiction-specific references with available internationally applicable references; ultimately, jurisdiction-specific metrics would be removed and replaced when a relevant replacement can be identified to preserve the disclosure topic's integrity to meet the needs of users of the financial reports published by entities.

The comments received from stakeholders will enable the ISSB to define its methodology for enhancing the international applicability of SASB Standards and to identify the necessary revisions. The aim is to make these revisions before the effective date of IFRS S1 (i.e. 1 January 2024).

At its May meeting, the ISSB also ratified the amendments to the climate-related SASB Standards in order to align these disclosures with:

- the application guidance in IFRS S2 on financed emissions; and
- the industry-based guidance on implementing IFRS S2 which has been "cleaned up" to make the climate-related sectoral indicators applicable regardless of the jurisdiction concerned.

Like IFRS S1 and IFRS S2, the amendments to the SASB Standards in these areas are expected to be published in June.

Standards and interpretations applicable as of 30 June 2023

Now that interim final reports are being finalised for 30 June 2023, Beyond the GAAP presents an overview of the IASB's most recent publications. For each text, we clarify whether it is mandatory for this closing of accounts, or whether early application is permitted, based on the EU endorsement status report (position as at 2 June 2023, available on EFRAG's website here).

As a reminder, the following principles govern the first application of the IASB's standards and interpretations:

1. The IASB's draft standards cannot be applied as they do not form part of the published standards;
2. The IFRS IC's draft interpretations may be applied if the two following conditions are met:
    - the draft does not conflict with currently applicable IFRSs;
    - the draft does not modify an existing interpretation which is currently mandatory.
3. Standards published by the IASB but not yet endorsed by the European Union as of 30 June may be applied if the European endorsement process is completed before the date when the interim financial statements are authorised for issue by the relevant authority (i.e. usually the board of directors);
4. IFRS IC's Interpretations published by the IASB but not yet endorsed by the European Union at the date when the interim financial statements are authorised for issue may be applied unless they are in conflict with standards or interpretations currently applicable in Europe.

Remember that in accordance with IAS 8 the notes of an entity applying IFRSs must include the list of standards and interpretations published by the IASB but not yet effective that have not been early applied by the entity. In addition to this list, the entity must provide an estimate of the impact of the application of those standards and interpretations.

Regarding minor amendments and interpretations, it seems relevant to limit such list to only those amendments and/or interpretations which are likely to apply to the entity's activities.

It should also be noted that under IAS 34 – *Interim Financial Reporting*, the changes in accounting policies required by new standards must also be disclosed in the interim financial reporting published in the course of the year.

Standard	Subject	Effective date according to the IASB	Date of publication in the Official Journal	Application status at 30 June 2023
IFRS 14	**Regulatory Deferral Accounts** (issued on 30 January 2014)	1/01/2016 Early application permitted	No endorsement (The EC has decided not to launch the endorsement process of this interim standard and to wait for the final standard)	Not permitted
Amendments to IFRS 10 and IAS 28	**Sale or Contribution of Assets between an Investor and its Associate or Joint Venture** (issued on 11 September 2014) **and effective date** (issued on 17 December 2015)	Postponed Early application permitted	Deferred	Permitted (1)
IFRS 17 and amendments	**IFRS 17 Insurance Contracts** (issued on 18 May 2017); including **Amendments** (issued on 25 June 2020)	1/01/2023 Early application permitted	23 November 2021 (UE introduces an option to exempt intergenerationally-mutualised and cash flow matched contracts from the annual cohort requirement)	Mandatory
Amendments to IFRS 17	**Initial Application of IFRS 17 and IFRS 9 – Comparative Information** (issued on 9 December 2021	An entity that elects to apply the amendments shall apply them when it first applies IFRS 17	9 September 2022	Mandatory
Amendments to IAS 1	**Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies** (issued on 12 February 2021)	1/01/2023 Early application permitted	3 March 2022	Mandatory
Amendments to IAS 8	**Definition of Accounting Estimates** (issued on 12 February 2021)	1/01/2023 Early application permitted	3 March 2022	Mandatory
Amendments to IAS 12	**Deferred Tax related to Assets and Liabilities arising from a Single Transaction** (issued on 7 May 2021)	1/01/2023 Early application permitted	11 August 2022	Mandatory

(1) If the entity had not developed an accounting policy.

Standard	Subject	Effective date according to the IASB	Date of publication in the Official Journal	Application status at 30 June 2023
Amendments to IAS 1	**Classification of Liabilities as Current or Non-current** (Issued on 23 January 2020) - **Deferral of Effective Date** (Issued on 15 July 2020 and on 31 October 2022)	1/01/2024 Early application permitted	Awaiting endorsement by the EU (date not yet announced)	Not permitted
Amendments to IAS 1	**Non-current Liabilities with Covenants** (issued on 31 October 2022)	1/01/2024 Early application permitted	Awaiting endorsement by the EU (date not yet announced)	Not permitted
Amendments to IFRS 16	**Lease Liability in a Sale and Leaseback** (issued on 22 September 2022)	1/01/2024 Early application permitted	Awaiting endorsement by the EU (date not yet announced)	Not permitted
Amendments to IAS 12	**Income taxes: International Tax Reform – Pillar Two Model Rules** (issued on 23 May 2023)	1/01/2023 Immediate application	Awaiting endorsement by the EU (date not yet announced)	Not permitted (2)
Amendments to IFRS 7	**Supplier Finance Arrangements** (Issued on 25 May 2023)	1/01/2024 Early application permitted	Awaiting endorsement by the EU (date not yet announced)	Not permitted

(2) In the absence of a specific provision, the entities concerned will have to develop an accounting policy to capture the impacts of enacted (or substantively enacted) tax laws implementing the Pillar Two Model Rules of the OECD. We believe that not recognising deferred taxes in respect of Pillar Two is a possible accounting policy choice (particularly, in view of the basis for conclusions of the amendments to IAS 12).

ISSB: call for feedback on the Board's future work plan

On 4 May, the International Sustainability Standards Board (ISSB) published a Request for Information (available here) to gather stakeholders' views on the priorities that the ISSB should consider when setting its work plan now that the first two standards, IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures* have been finalised (their publication is expected by the end of June 2023).

While the IASB usually adopts a 5-year time-frame for discussions of this type, the ISSB wanted to retain as much flexibility as possible so that it could refocus its work if necessary, taking into account possible changes in standard-setting for sustainability reporting and the priority issues to be considered. The work plan which will start in 2024 (i.e. after the due process for the public consultation) will therefore cover just two years of activity.

Areas in which stakeholder feedback is sought

This RFI seeks stakeholder feedback in the following areas.

Strategic direction and balance of the ISSB's activities

Stakeholders are invited to give their views on the strategic direction and overall balance of the ISSB's work, in order to prioritise the following activities which have been identified by the Board:

- beginning new research and standard-setting projects (see below);
- supporting the implementation of IFRS S1 and IFRS S2 as part of the ISSB's foundational work (see below);
- researching targeted enhancements to the ISSB Standards, in particular IFRS S2, to address climate-related issues such as the 'just transition';
- enhancing the SASB Standards (see the parallel launch of the public consultation on enhancing the international applicability of these standards reported above in this issue), given the IFRS Foundation's responsibility for maintaining these standards since the consolidation of the Value Reporting Foundation in August 2022 (the VRF itself having resulted from the June 2021 merger of the International Integrated Reporting Council and the SASB).

In addition to these four main areas, the ISSB will commit resources to continue working on (i) connectivity (in conjunction with the IASB's forthcoming work relating to climate-related risks in the financial statements), (ii) interoperability (in conjunction, in particular, with EFRAG and the European Commission, to ensure the closest possible alignment between IFRS Sustainability Disclosure Standards and ESRS) and (iii) dialogue with stakeholders, in particular to promote the Board's work to encourage widespread use of IFRSs.

Suitability of criteria for assessing which sustainability-related matters to prioritise and add to the ISSB's work plan

Stakeholders are asked for their feedback as to the suitability of the criteria for assessing which sustainability-related matters (topics, industries and activities) to prioritise and add to the ISSB's work plan.

In practice, the list is similar to the one used by the IASB to define its own priorities during the 3rd public consultation on its work plan (launched in March 2021).

New research and standard-setting projects

Stakeholders are invited to give their opinions of a proposed list of new research and standard-setting projects that might be added to the ISSB's work plan. They are also asked to indicate which project(s) should be prioritised, as the ISSB will not have the capacity to make rapid progress on all the subjects identified in the RFI.

What is the ISSB's ambition?

The ISSB's primary ambition is to complete the IFRS standard-setting work on sustainability disclosures, with the first two standards taking a "climate first" approach, although IFRS S1 will require entities to rely on standards and frameworks available elsewhere to identify their sustainability-related risks and opportunities (apart from climate, covered by IFRS S2) and to make the relevant disclosures in the absence of an IFRS standard.

New research and standard-setting projects

The ISSB has identified four potential projects in this public consultation, although stakeholders have the opportunity to suggest other projects to the Board. Three of these projects address sustainability-related risks and opportunities associated with:

- biodiversity, ecosystems and ecosystem services. The topics that might be covered under this heading include (i) water (including marine resources); (ii) land-use and land-use change (including deforestation); (iii) pollution (including emissions into air, water and soil); (iv) resource exploitation (including the circular economy); and (v) invasive non-native species;
- human capital. This topic could include (i) worker wellbeing; (ii) diversity, equity and inclusion (DEI); (iii) employee engagement; (iv) workforce investment; (v) the alternative workforce; (vi) labour conditions in the value chain; and (vii) workforce composition and costs;
- human rights, with a focus on how human rights contribute to the sustainability-related risks and opportunities of entities, including how they vary by jurisdiction or business model. The research will also give an understanding of existing practices, tools and measures.

As these three projects cover very broad topics, the main challenge will be the clear delineation and definition of priorities.

A fourth research project concerns the integration of disclosures by entities, exploring how to integrate financial reporting at large beyond the requirements for connected information in IFRS S1 and IFRS S2.

Stakeholders are therefore asked whether the ISSB should work with the IASB on a formal joint project on the integration of reporting and whether the ISSB should draw on the IASB's existing work on management commentary (see the May 2021 Exposure Draft updating Practice Statement 1, which has not yet been completed).

This is another very wide-ranging project, and the IFRS Foundation is ultimately working towards creating an integrated, coherent and comprehensive system of corporate reporting that provides a holistic and transparent view of how an entity creates value over time.

Supporting the implementation of IFRS S1 and IFRS S2

As part of its foundational work, the ISSB wishes to develop and strengthen the guidance given to stakeholders to explain certain concepts and help resolve difficulties identified when applying the standards.

A Transition Implementation Group will be established to this end. Measures will also be taken to help the various jurisdictions to adopt the standards. Finally, an exposure draft on the XBRL taxonomy for IFRS sustainability disclosures will be also published.

Stakeholders have 120 days, or until 1 September, to send the ISSB their comments using the questionnaire available here.

Following this consultation, further deliberations will take place, culminating in the publication of a Feedback Statement setting out the decisions taken by the ISSB on its two-year work plan.

Publications

Guide to the impact of the CSRD on non-EU groups and their EU subsidiaries

Mazars has just published a guide (available here) to help non-EU groups to understand the rules, impacts and challenges arising from the Corporate Sustainability Reporting Directive, which includes an extra-territoriality principle.

The guide summarises the expected outcomes of the CSRD and accompanies the regulatory reminders with decision trees and case studies to help non-European groups and their European subsidiaries better understand the challenges of this directive.

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[1] Where permitted under applicable country laws

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