

Structured Electronic Reporting

Exciting and challenging times

FSMA

AUTORITEIT
VOOR FINANCIËLE
DIENSTEN
EN MARKTEN

AUTORITÉ
DES SERVICES
ET MARCHÉS
FINANCIERS



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Welcome

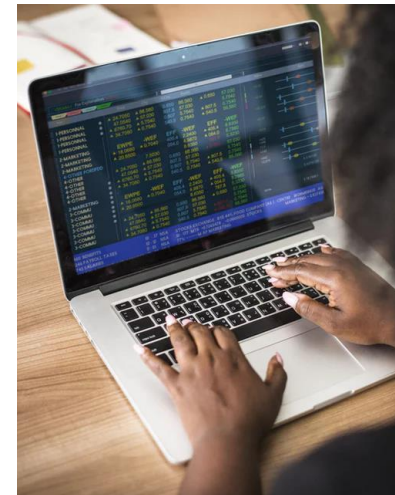
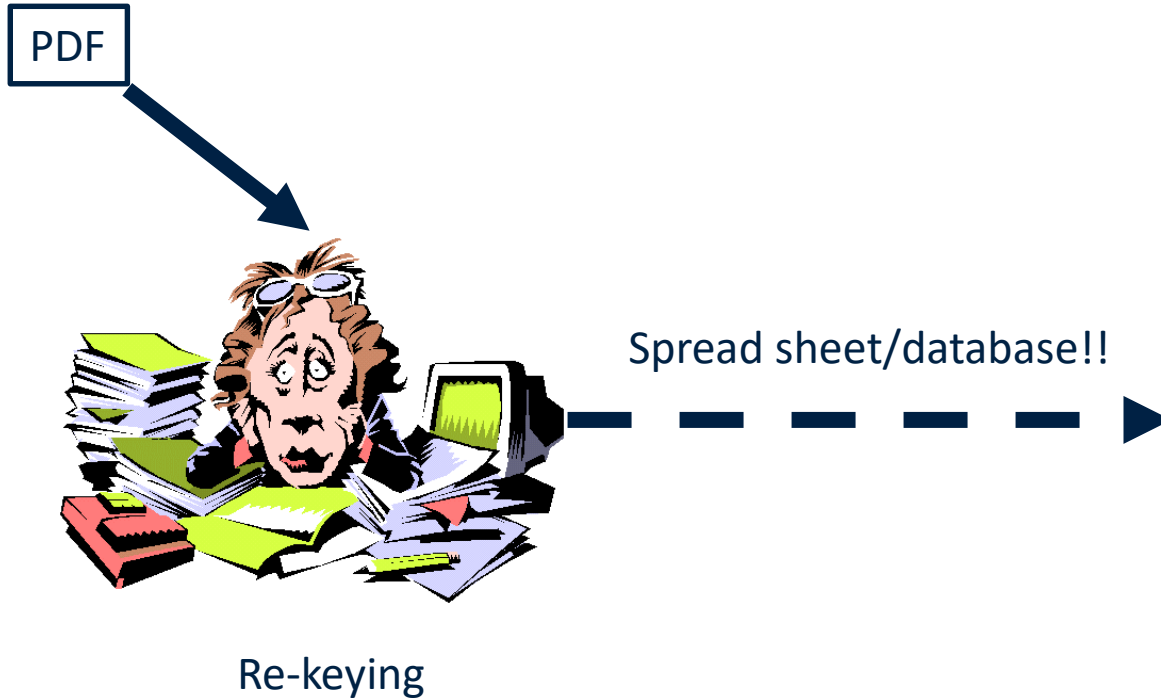
Agenda

- Why a European Single Electronic Format?
- Challenges for financial information
- Structured financial information is only a first step.
- Conclusion

Why a European Single Electronic Format?

Why ESEF?

PDF Annual Financial Report published



Financial Analyst

Objective of ESEF

- Improved **accessibility** of information
 - Computers can read and understand information (and humans can read iXBRL files too);
 - Accessibility of financial information whole over Europe presented in the same format;
 - Easy and quick access of financial information of all companies (big or small)
 - Improved **comparability** of information
 - With the ESEF taxonomy it becomes much easier to compare financial statements of companies;
 - Taxonomy exist in different languages, so financial information easier to translate (not for narrative information)
- ➔ *More efficient financial markets*

Challenges for financial information

Challenges for financial information

- Easy and cheap/free access to financial information of companies from whole over Europe → today national OAMs → tomorrow also **European Single Access Point (ESAP)**?
- **Scope of ESEF**: why not half-yearly reports, quarterly information, result announcements?
- **Learning curve** in Europe to consume ESEF information.
 - Software development within Europe;
 - Commercial software next to open source software to allow small investors/academics to consume ESEF information.

Structured financial information is only a first step

Structured financial information is only a first step. On the horizon:

- **ESG** with possible development of **European standards** by EFRAG
- **ESG** with an International Sustainability Standards Board to be set up by the IFRS Foundation and **international standards**.
- Companies that fall within the scope of the **NFRD** will soon have to publish Key Performance Indicators (**KPIs**) disclosing how, and to what extent, their activities qualify as environmentally sustainable under the Taxonomy Regulation
 - for non-financial undertakings a turnover KPI, a CapEx KPI and an OpEx KPI, and
 - for asset managers should disclose (a ratio of investments that are Taxonomy aligned).

Structured financial information is only a first step. On the horizon:

- Development of ESAP, with possible much wider scope of information
- → all those areas are candidates for structured information. ESMA underlined in its advises the added value of information in a structured format.

Conclusion

We live in exciting times and have challenging prospects for the future!