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Diese Unterlage wurde von einem Mitarbeiter des DRSC für die FA-Sitzung erstellt.

FA NB – öffentliche SITZUNGSUNTERLAGE

Sitzung:	14. Sitzung FA NB / 22.02.2023 / 15:15 – 15:45 Uhr
TOP:	5 – Connectivity between FR and SR
Thema:	Vorstellung des neuen EFRAG Forschungsprojektes
Unterlage:	14_05a_FA-NB_EFRAG_Connectivity_Prä

Background



New EFRAG proactive agenda project

- May 2021: most supported new proactive agenda project in the feedback to the EFRAG agenda consultation
- May 2022: EFRAG FR TEG considered and recommended new proactive agenda project on connectivity between FR and SR
- June 2022: EFRAG FRB approved a project on the connectivity between FR and SR
- July 2022: EFRAG FR TEG discussions
- November 2022: EFRAG Academic Panel
- January 2023: Joint EFRAG FRB and SR TEG discussions / UK Endorsement Board presented preliminary views at the IFASS meeting; IFASS members identified topic as priority

Source: EFRAG FRB/FR TEG meeting, January 2023, paper 09-01, par. 3, 6-7

Research Objective



Enhancing the consistency and coherence between the information in the front and back ends of the annual report

Connectivity project, which have both a **practical and conceptual orientation**, to contribute to the mutually **complementary enhancement of FR and SR** requirements and reporting practices

Deliverables of the research project to fulfill multiple objectives:

- Influence standard setting
- Contribute to research / leadership on the topic
- Support practice
- Educational source

Source: EFRAG FRB/FR TEG meeting, January 2023, paper 09-01, par. 9-10

Definition of Connectivity



Term with diverse possible definitions

Multiple Dimensions

- Conceptual connectivity of FR and SR requirements
- Connectivity of information in the Annual Report
- Institutional connectivity via coordination of standard setting bodies

Possible starting Points

- General requirements in ESRS 1 and IFRS S1
- Integrated Reporting Framework
- EFRAG-PTF-NFRS definition
 - Direct connectivity
 - Indirect connectivity

Source: EFRAG FRB/FR TEG meeting, January 2023, paper 09-01, par. 11-12

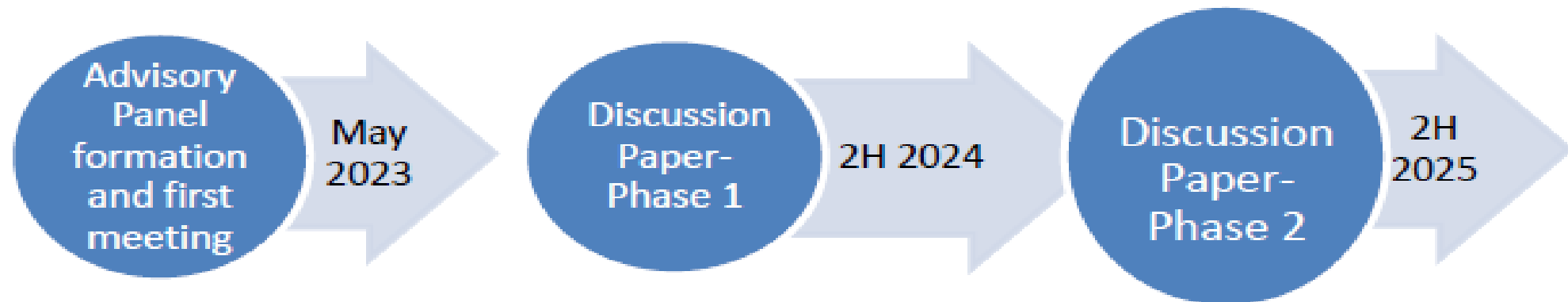
What information should be the focus of the connectivity research?

- a) SR under ESRS and ISSB requirements to **financial statements**
- b) SR under ESRS and ISSB requirements to **general purpose financial reporting** (i.e. financial statements, management commentary)
- c) SR under ESRS and ISSB requirements to the **reporting package** (i.e. general purpose financial reporting, other regulated information and reports)

Source: EFRAG FRB/FR TEG meeting, January 2023, paper 09-01, par. 13-16

Proposed two-phase approach and timeline

- Phase 1: to support the development of connectivity practice
- Phase 2: to explore the challenges and opportunities offered by possible revision of the current FR and SR boundaries, including through the conceptualisation and application of integrated reporting



Source: EFRAG FRB/FR TEG meeting, January 2023, paper 09-01, par. 19, 44