



To: DG Financial Stability, Financial Services and Capital Markets Union
Unit B3 – Accounting and financial reporting
European Commission
SPA2 00/093
1049 Brussels
Belgium

From: Economics & Finance department

Date: 15 April 2016

Reference: ECO-FRG-16-062

Subject: Consultation Document *"Non-Binding Guidelines For Reporting Of Non-Financial Information By Companies"*

Dear Sir/Madam,

Insurance Europe welcomes the opportunity to comment on the Consultation Document *"Non-Binding Guidelines For Reporting Of Non-Financial Information By Companies"*. This letter has been drafted by Insurance Europe, the European insurance and reinsurance federation.

Insurance Europe strongly supports initiatives which contribute to increased effectiveness of financial reporting and insists that any inclusion of non-financial disclosure requirements should be very carefully considered since any mandatory requirements might not be cost-effective. As a matter of principle, the inclusion of non-financial information in financial reports should be based on an entity's specific assessment of materiality and usefulness in explaining its business to its shareholders. Where that information is instead for the benefit of other stakeholders, we support entities being able to report non-financial information outside of the financial report. It is in that context that we acknowledge the provisions of the Directive 2015/95/EU, and in particular Article 2 of the Directive which mandates the European Commission to issue non-binding guidelines with regard to non-financial reporting.

Insurance Europe is of the view that guidelines on methodology for reporting non-financial information will be more useful for users if they set out high level general principles rather than prescribing detailed methodologies, or even referring to other frameworks for non-financial reporting which may contain specific and perhaps conflicting methodologies. In addition, the primary objective of the guidelines should be to avoid an undue administrative burden for undertakings in scope. While we acknowledge that the EU-Guidelines should facilitate the disclosure of non-financial information by undertakings, we observe that Question 9 and Questions 11 are outside of the Commission's delegated power as set out in Article 2 of the CSR-Directive. Hence, we urge that any final EU-Guidelines should only focus on aspects specific to requirements of the companies under the scope of the CSR-Directive. Furthermore, the final EU-Guidelines should not provide any references to disclosures related to board diversity policies as this area is not in the scope of the Commission's mandate.

We also strongly encourage the Commission to consult publicly on its guidelines once drafted. Please do not hesitate to contact us if you would like to discuss any aspect of our comments in more detail.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Olav Jones", with a long, sweeping underline.

Olav Jones
Deputy Director General / Director Economics & Finance