



NON-BINDING GUIDELINES FOR REPORTING OF NON-FINANCIAL INFORMATION BY COMPANIES

I. General principles and key attributes of the non-financial information

Q1 What aspects of disclosure of non-financial information do you think that should be addressed by the GUIDELINES?

Please, order in terms of importance (1 least important, 9 most important)

- 8 Materiality/Relevance
- 3 Usefulness
- 2 Comparability
- 9 Avoiding undue administrative burden
- 6 Comprehensiveness
- 5 Fairness and balance
- 4 Understandability
- 7 Reliability
- Other, please specify: text

Q2 Who should be considered in your opinion the main audience of the non-financial statement?

Please, check the box of the alternative that you consider more appropriate.

- The shareholders
- The investment community in a broad sense
- Users of information with an economic interest, such as suppliers, customers, employees, etc.
- All users of information (including consumers, local communities, NGOs, etc.)
- Other, please specify: text

Q2.1 Would you, please, provide a brief explanation? *(text – 400 characters)

Q3 In your opinion, what features make a piece of information material/relevant for the purposes of the non-financial statement?

Please, order in terms of importance (1 least important, 7 most important)

- 2 Useful for the management/directors of the company
- 7 Relevant for shareholders or investors' decision-making
- 3 Relevant for stakeholders in general
- 6 Necessary to understand the impacts of the company's activity
- 4 Necessary to understand the company's development, performance and position
- 5 Necessary to understand how the company manages non-financial risks
- Other, please specify: text

Q3.1 Would you, please, provide a brief explanation? *(text – 400 characters)

Alt 3-5 are all important to investors' decision to invest and can be regarded as sub factors to the factor marked as most important. However, it is primarily the company's

own responsibility to build trust among investors. In order to do so it can be helpful with guidelines but it's important to avoid an unnecessary regulatory burden and therefore that the system is voluntary.

II. Content of the non-binding guidelines

Q4 Do you think that the GUIDELINES will be more useful for companies and users if they set out general principles and key ideas or if they put forward solutions in a detailed manner, including on specific sectoral issues? *

Please, indicate on a scale from 1 to 5 (1 geared towards general principles, 5 high level of detail/prescription)

3

Q4.1 Would you, please, provide a brief explanation? *(text – 400 characters)

Provided that it is a question of non-binding guidelines, the guidelines should refer to existing frameworks. It is important that the EU does not reinvent the wheel and impose mandatory rules.

Q5 Please, provide a brief description of how you think that the following matters should be treated in the GUIDELINES, including as appropriate how they should be defined and described:

- a. Business model (text – 400 characters)
- b. Policies (text – 400 characters)
- c. Due diligence process (text – 400 characters)
- d. Business relationships (text – 400 characters)
- e. Key performance indicators –KPIs (text – 400 characters)
- f. Outcome of policies (text – 400 characters)
- g. Principal risks (text – 400 characters)
- h. Impact of the activity (text – 400 characters)
- i. Adverse impacts (text – 400 characters)
- j. Information omitted in exceptional cases where disclosure would be seriously prejudicial (text – 400 characters)

Q6 How do you think that the GUIDELINES should approach the disclosure of key performance indicators (KPIs)? *

Please, indicate your two preferred approaches (1 Best option, 2 Second preferred option).

2 The GUIDELINES should highlight key principles on how to disclose relevant KPIs and complementariness with narrative and/or financial information as applicable

1 The GUIDELINES should make reference to KPIs proposed by other frameworks where addressing concrete matters or issues

o The GUIDELINES should include a comprehensive list of KPIs, general and sectoral

o The GUIDELINES should provide flexibility for companies to exercise judgement in deciding what KPIs should be included in their disclosures

o Other, please specify: text

Q6.1 Would you, please, provide a brief explanation? *(text – 400 characters)

Provided that it is a question of non-binding guidelines, existing frameworks should be used and references to KPIs in these frameworks should be made. It is important that the EU does not reinvent the wheel and impose mandatory rules.

Q7 Do you think that the GUIDELINES should include guidance on specific sectoral issues such as responsible supply chain management of conflict minerals? *

Please, indicate on a scale from 1 to 5 (1 geared towards general principles, 5 high level of detail/prescription)

3

Q7.1 Would you, please, provide a brief explanation? *(text – 400 characters)

Provided that it is a question of non-binding guidelines, existing frameworks should be used and references to KPIs in these frameworks should be made. It is important that the EU does not reinvent the wheel and impose mandatory rules.

III. Interaction with other frameworks and other aspects

Q8 How do you think that the GUIDELINES should relate to existing national, international or other EU-based frameworks (such as UN Global Compact, the UN Guiding Principles on Business and Human Rights, OECD guidelines for multinational enterprises, the ILO Tripartite Declaration of principles concerning multinational enterprises and social policy, EMAS, etc.)?*

Please, order in line with your views (1 least in line, 6 most in line)

1 The GUIDELINES should include detailed solutions and be an exhaustive document in a way that could make unnecessary for companies the use of other guidelines

3 The GUIDELINES should be complementary to other frameworks

6 The GUIDELINES should make reference to other frameworks where addressing concrete matters or specific issues

4 The GUIDELINES should get general inspiration from other frameworks

5 The GUIDELINES should explain how content produced in the context of other frameworks could be used in the non-financial statement

2 Other, please specify: text

Q8.1 Would you, please, provide a brief explanation? *(text – 400 characters)

Q9 Do you think that when preparing the GUIDELINES only the companies included in the scope of the DIRECTIVE should be considered, or that the interests, characteristics and/or requirements of other companies that prepare management reports should be taken into account as well? *

Please, check the box of the alternative that you consider most appropriate.

Specific to the requirements of the companies under scope of the DIRECTIVE

Consider all large companies

Consider all companies

Focus on the requirements of the companies under the scope of the DIRECTIVE, but also propose best practice for other companies that prepare management reports

Q9.1 Accordingly, do you think that the content of the guidelines should be different according to the targeted companies? Would you please, provide a brief explanation? *(text – 400 characters)

Since the directive is implemented in different manners in different EU member states and that some member states have gone beyond EUs basic requirement when it comes to non-financial reporting the guidelines should not be specific to the companies under the scope of the directive.

Q10 [only for respondents that are companies]

Does your company disclose annually relevant non-financial information?

Yes

No

If so, does your company use any existing reporting framework(s)?

Yes

No

If so, would you, please, indicate which one(s)?

(text – 100 characters)

IV. Disclosures related to board diversity policy

Q11 Should the GUIDELINES provide more clarity on what companies should disclose as regards their board diversity? *

Yes

No

No position

Q11.1 Would you, please, provide a brief explanation? *(text – 400 characters)

Considering the detailed regulations that are already in place in many member states, it can be questioned what would be achieved by further clarifying through these guidelines what companies should disclose as regards their board diversity.

V. Final

Please, upload, as needed, any relevant document or information that you consider useful for the purposes of this consultation.

In doing so, you are invited to take into account the content of recital 7 of the DIRECTIVE:

"Where undertakings are required to prepare a non-financial statement, that statement should contain, as regards environmental matters, details of the current and foreseeable impacts of the undertaking's operations on the environment, and, as appropriate, on health and safety, the use of renewable and/or non-renewable energy, greenhouse gas emissions, water use and air pollution. As regards social and employee-related matters, the information provided in the statement may concern the actions taken to ensure gender equality, implementation of fundamental conventions of the International Labour Organisation, working conditions, social dialogue, respect for the right of workers to be informed and consulted, respect for trade union rights, health and safety at work and the dialogue with local communities, and/or the actions taken to ensure the protection and the development of those communities. With regard to human rights, anti-corruption and bribery, the non-financial statement could include information on the prevention of human rights abuses and/or on instruments in place to fight corruption and bribery."