

IASB
Columbus Building
7 Westferry Circus
Canary Wharf
London E14 4HD

22nd November 2021

Dear Andreas Barckow,

Please find enclosed our response to your Exposure Draft: Management Commentary.

This response has been prepared by the 100 Group Stakeholder Reporting and Communication Committee and is intended to speak on behalf of the Group as a whole. The 100 Group membership represents around 90% of the FTSE100 market capitalisation as well as a number of equally significant sized unlisted businesses. We note that whilst this letter expresses the views of the 100 Group as a whole, these views are not necessarily those of individual members nor their respective employers. We thank you for the opportunity to comment on your proposal and would invite any further dialogue which you would deem of value.

Overall, we are supportive of the intentions of this project: to develop a set of comprehensive requirements that focus on information that investors and creditors need and guidance to help management identify that information and present it clearly.

We welcome the additional, more detailed, guidance around best practice management commentary, and we support the advisory position of the practice statement which keeps it outside of IFRS compliance, and allows companies to leverage the guidance, but to frame it within their external regulatory environment.

Further, we are of the opinion that it is essential for management commentary to remain as concise and company specific as possible, and in that vein we would not be supportive of a mandatory framework which risked creating overlap or conflicting requirements when compared to the many diverse regulatory environments of IFRS preparers.

While we are in support of the proposal, we do challenge the timing given the imminent establishment of the ISSB and the inevitable incremental disclosure requirements which will follow. While we understand that there is considerable appetite to improve management commentary, the value of continuity of discussion should not be underestimated, and frequent change, which may make management commentary less useful to the users, should be avoided.

We hope you find our comments helpful as you move to the next stage of the project. Please do contact our secretariat Cat Hoad at secretariat@the100group.co.uk, who would be happy to put you in touch with us, should you wish to discuss any of our comments in further detail.

Yours sincerely,



Iain Mackay,
Chair of the 100 Group Stakeholder Communications and Reporting Committee