Enforcement Priorities 2018
(Berlin, 23 November 2017)

1. Disclosure of the expected impact of implementation of major new standards in the period of their initial application*

2. Specific recognition, measurement and disclosure issues of IFRS 3 Business Combinations*

3. Specific issues of IAS 7 Statement of Cash Flows*

4. Recognition and measurement of provisions in accordance with IAS 37 and related disclosures
   including the following specific issues:
   • Non-recognition where no reliable estimate can be made as well as compliance with the disclosure requirements (IAS 37.26 and 37.86)
   • Omission of standard disclosures under the protective exemption and compliance with the minimum disclosure requirements (IAS 37.92)
   • Disclosures regarding estimation uncertainties (IAS 37.85(b), IAS 1.125 and 1.129)
   • Aggregation of provisions (IAS 37.87)
   • Disclosure of items of income and expense related to specific provisions (IAS 1.97 and 1.98(b), (f) as well as (g))

5. Group management report and group declarations
   • Reporting on alternative performance measures as key financial performance indicators (section 315 (1) sentence 3 of the HGB (German Commercial Code))
   • Presentation of possible impact of Brexit on the group’s future net assets, financial position, and earnings (section 315 (1) HGB)
   • Inclusion of disclosures on the diversity policy in the group corporate governance declaration (section 315d HGB in connection with section 289f (2) no. 6 HGB) and inclusion of the nonfinancial group declaration (section 315b HGB)

* Please refer to [https://www.esma.europa.eu/](https://www.esma.europa.eu/) for a detailed discussion of this enforcement priority.