Enforcement priorities for 2021
(Berlin, 9 November 2020)

1. IAS 1 Presentation of Financial Statements*
   • Going concern assumptions
   • Significant judgements and estimation uncertainty
   • Presentation of COVID-19-related items in the financial statements

2. IAS 36 Impairment of Assets*

3. IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures*

4. IFRS 16 Leases*

5. IAS 24 Related Party Disclosures, particularly
   • Determination/identification of related parties (IAS 24.9)
   • Disclosures concerning the ultimate controlling party (IAS 24.13)
   • Disclosures concerning the nature of the relationship, amount, and terms and conditions of transactions, as well as concerning outstanding balances (IAS 24.18)
   • Categorization of related party disclosures (IAS 24.19)
   • Consistency of disclosures with the dependency report and correct reproduction of the closing statement (section 312 (3) AktG (German Stock Corporation Law))

6. Section 315 HGB Group management report – risk reports taking into account the implications of COVID-19
   • Completeness and appropriateness of disclosures concerning significant risks (section 315 (1) sentence 4 HGB (German Commercial Code)), particularly regarding:
     o Individual risks and risks jeopardizing the continued existence of the company as a going concern (section 315 (1) sentence 4 HGB)
     o Risks arising from the use of financial instruments (section 315 (2) sentence 1 no. 1 HGB): extent of credit and liquidity risk, presentation and discussion of significant financial risks related to financial covenants (IFRS 7.18 et seq. and IFRS 7.31 et seq.)
   • Consistency between the reports on risks and on forecasts

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