



FRTAP POLAND

FINANCIAL REPORTING
TECHNICAL ASSISTANCE
PROGRAMME

CFRR

Centre for Financial
Reporting Reform



Increasing value through non-financial capitals

How to benefit from the incoming
legislation on non-financial reporting

September 19, 2016, 11:00 am - 3.30 pm
The Stock Exchange
Warsaw, Poland

Deloitte.



Organized by: Ministry of Finance
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Association of Chartered Certified Accountants
- ACCA

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Increasing value through non-financial capitals

How to benefit from the incoming legislation on non-financial reporting

Warsaw, September 19, 2016, 11:00 am - 3.30 pm, The Stock Exchange, Warsaw, Poland

The business world has evolved significantly since 1970s, leading to more broad reporting requirements and more refined reporting practices over recent years. Changes in the approach to goodwill valuation are an important aspect of that evolution. In the 1970's tangible assets represented more than 80 percent of the total goodwill in companies. Currently this proportion is reversed: intangible assets—such as, for example, a brand or reputation—account for over 80 percent of the total goodwill, with the remaining 20 percent attributed to tangible assets.

Accordingly, the investors and other stakeholders now pay more attention to non-financial data in order to get a complete picture of a company and understand its approach to value creation, its business model, the long term strategy and the risk management plan. Seventy-five percent of senior executives in global investment firms take a company's sustainability performance into account when making investment decisions. However, many companies still either do not disclose their non-financial data, or their disclosures are incomplete. Seventy-eight percent of investors find non-financial data disclosures inadequate, and ninety-three percent claim that the data disclosed by companies is immaterial and irrelevant.

Although the number of companies that report their non-financial data on a regular basis has been increasing, there is a lot of room for improvement. Of particular relevance is the fact that from the beginning of 2017 onwards, approximately 300 major listed companies, banks, investment funds and other public interest entities in Poland will be required to report their non-financial data and to disclose diversity information, including environmental, social and governance factors. This new requirement arises from the transposition of the European Union Directive 2014/95/UE into the Polish law.

This conference aims to familiarize companies with the new reporting requirements set forth in the Directive 2014/95/UE and in the draft amendment to the Polish Accounting Act. Another objective is to demonstrate to participants that non-financial reporting is not just a burden imposed on companies: it also offers a number of benefits, including gains such as the following: a more robust internal system of strategic management in the organization; improved market position; enhanced reputation and more effective relationship building within local communities; and increased transparency. Practices in the area of sustainability, responsible business and quality reporting can also boost employee motivation and dedication, and they help to create a desirable corporate culture. Last but not least, these practices meet the expectations of investors, clients, local and central authorities, and government agencies.

Conference Agenda

10:30	Registration
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11:00	Opening remarks
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Speakers	<p>Emilia Skrok Acting Country Manager for Poland, The World Bank</p> <p>Wiesław Janczyk Secretary of State, Ministry of Finance, Republic of Poland</p> <p>Guido Beltrani Director, Swiss Contribution Office in Poland</p> <p>Małgorzata Zaleska CEO, Warsaw Stock Exchange</p>
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Module I – From compliance to opportunities. What are the legislative changes and how can companies benefit from them?

11:20	Session 1 – Non-financial reporting in Poland
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Speakers	<p>Joanna Dadacz Director, Accounting and Auditing Department, Ministry of Finance</p> <p>Irena Pichola Board Member of Deloitte Advisory, Leader of Sustainability Consulting Central Europe</p>
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Description	<p>The session will present upcoming changes to accounting legislation in the area of sustainability, and what those changes mean for Polish companies. It will also highlight how non-financial reporting helps organizations examine their impact on a broad range of issues that have critical importance for their operation, focusing on both the opportunities and the threats involved.</p> <ul style="list-style-type: none"> • The new requirements of the amended Accounting Act in the context of transposition of the European Directive 2014/95/UE: <ul style="list-style-type: none"> ○ Joanna Dadacz will describe the key legal requirements arising from the draft amendment of the Accounting Act in the context of transposing the EU Directive 2014/95/UE; ○ Discussion and Q&A session • A constraint or an opportunity? Benefits related to the implementation of the EU Directive on non-financial reporting. Presentation of the Deloitte 2016 CE Top 500 report on sustainability in companies from Central Europe.
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12:10 Session 2 – How non-financial matters can influence company financial value	
Speakers	<p>Richard Martin Head, Corporate Reporting, Association of Chartered Certified Accountants (ACCA)</p> <p>Robert Adamczyk Senior Environmental Adviser, European Bank for Reconstruction and Development (EBRD)</p> <p>Tomasz Wiśniewski Manager, Warsaw Stock Exchange</p> <p>Jyoti Banerjee Programme Lead: Technology Initiative, International Integrated Reporting Council (IIRC)</p>
Facilitator	<p>Przemek Pohrybieniuk Head, ACCA Poland and the Baltics</p>
Description	<p>The session aims to present investors' perceptions of environmental, social and governance (ESG) factors and goodwill. The session aims to demonstrate how ESG factors have gained prominence in investors' eyes. Seventy-five percent of senior executives in global investment firms take a company's good sustainability performance into account when making investment decisions. What is more, statistically nearly half of the investors say that they would not invest in a company with a poor sustainability performance record. Yet only 60 percent of managers in publicly traded companies believe that a good sustainability performance is materially important to investors.</p>

13:00 Break

Module II – What makes a good report?

13:30 Session 3 – The most popular trends regarding non-financial reporting frameworks/standards	
Speakers	<p>Eszter Vitorino Fuleky Senior Manager Public Policy, Global Reporting Initiative (GRI)</p> <p>Jacqueline Kacprzak Minister Counsellor, Ministry of Economic Development, Republic of Poland</p> <p>Monika Kaczorek Member of National Chamber of Statutory Auditors, Chair of the International Cooperation Committee (KIBR)</p> <p>Steven Wade Global Project Director, Ethical Corporation, Member of the Jury of the CE Green Frog Awards Competition</p>
Facilitator	<p>Mirella Panek-Owsiańska President, Responsible Business Forum</p>

Description	The session will provide insights into the most popular frameworks for sustainability reporting worldwide. The advantages of non-financial reporting will be presented in the context of stakeholder involvement and confidence building.
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14:15 Session 4 – Challenges and lessons learnt from the implementation of sustainability standards in Poland: discussion panel

Speakers	<p>Jowita Twardowska Director for Social Matters and CSR, Marketing and Communication Department, LOTOS Group</p> <p>Jacek Siwiński Velux Polska, General Manager</p> <p>Paweł Nogalski Vice President of the Management Board and CFO, Trakcja PRKiL</p> <p>Lidia Kołucka-Żuk Director, Pelion S.A.</p> <p>Aleksandra Walczyk-Jansson Head of Section, Polish Agency for Enterprise Development (PARP)</p>
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Facilitators	<p>Piotr Pyziak Consultant, World Bank Center for Financial Reporting Reform (CFRR)</p> <p>Rafał Rudzki Senior Manager, Sustainability Consulting Central Europe, Deloitte</p>
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Description	The session focuses on the practical implementation of sustainability solutions and non-financial reporting practices in private sector companies and in companies listed on the Warsaw Stock Exchange (WSE). Representatives of listed companies will share their experiences and problems/issues encountered. They will also give feedback on the added value arising from adherence to responsible business strategies.
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15:15 Closing remarks

Speaker	<p>Jarett Decker Head, Centre for Financial Reporting Reform (CFRR), The World Bank</p>
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15:30 Conference ends. Networking and refreshments.



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