

A joint conference with ecoDa, ECIIA and ACCA



**Non Financial Reporting :
The impact on the relationship between
Boards and Auditors**

Brussels Press Club, 15 March 2016



Non-Financial Reporting: The impact on the relationship between Boards and Auditors

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**Press Club, rue Froissart, 95 1040 Brussels, 14.00h-16.45.h, followed by a networking
cocktail reception**

EU Member States are due to transpose by December 2016 the Directive on Non-Financial Reporting which aims to increase EU companies' transparency and performance in respect of environment and social matters. Large public-interest entities with more than 500 employees are required to disclose concise, useful information necessary for an understanding of their development, performance, position and impact of their activity.

The Directive specified that the Commission would develop guidelines for companies in order to facilitate their disclosure of non-financial information, taking into account current best practice, international developments and related EU initiatives.

To that end, the European Commission has launched a consultation to develop non-binding guidelines. The objective is to provide companies with a methodology to facilitate the disclosure of comparable non-financial information.

The conference organised by ECIIA, ecoDa and ACCA will provide an opportunity for stakeholders to exchange views on this important topic and input in this new initiative by illustrating some of best practices. The panellists will investigate how boards and internal and statutory auditors can better cooperate for an efficient implementation of the non-financial reporting directive. Depending on the size and the complexity of the organizations, both types of auditors may play a significant role to assist boards in reinforcing long term orientation.

AGENDA

14.00: Welcoming speech: Turid Elisabeth Solvang, ecoDa's Chair

14.10: Keynote speech: "The Implementation of the non-Financial Reporting Directive", Nicolas Bernier-Abad, DG Fisma, European Commission

14.20: The International perspective: "Integrated Reporting: what are we waiting for?", Neil Stevenson, Managing Director: global implementation, IIRC

14.30: Panel discussion – Moderator: Jo Iwasaki, Head of Corporate Governance, ACCA

Introductory remarks

"The new reporting duties: What does it mean for the Board?", Paola Schwizer, Chair of Nedcommunity, ecoDa's board member. Chair of the Audit & Risk Committee of Credem S.p.A. and Inwit S.p.A. (both listed on the Italian Stock Exchange)

"How the internal auditor and the external auditor can help to avoid greenwashing?", Farid Aractingi, Vice President, Audit, Risk and Organisation, Renault, Chairman, Renault Consulting, ECIIA board member

Discussion on what are the key success factors for an accurate and effective non-financial reporting with:

- Olivier Boutellis-Taft, CEO, European Federation of Accountants (FEE)
- David Szafran, Lawyer at Law Square and Chair of ISAR 30th session at UNCTAD
- Carl Rosen, Vice chair of Better Finance and departing CEO of Aktiespararna and (from April 1st, Head of State ownership and innovation at the ministry of Enterprise - Sweden)

15.45-16.00: Q&A

16.15-16.30: Key note remarks from Richard Howitt, MEP

16.30-16.45: Final conclusions from Henrik Stein, ECIIA President

16.45-18.00: Cocktail reception

ABOUT THE ORGANISERS:

ecoDa: European Confederation of Directors' Associations <http://www.ecoda.org/>

ECIIA: European Confederation of Institutes of Internal Auditing <http://www.eciia.eu/>

ACCA: The Association of Chartered Certified Accountants <http://www.accaglobal.com/gb/en.html>

SPEAKERS' BIOGRAPHIES- by order of appearance



Turid Elisabeth Solvang

Turid Elisabeth Solvang is the chairperson of ecoDa (www.ecoda.org), and managing director of the Norwegian Institute of Directors (www.styreinstitutt.no), which she helped establish in 2009. Ms. Solvang completed her M.Sc. in Business at BI Norwegian Business School in 1989, with additional specialization in scenario planning. She has previously headed up Burson-Marsteller's corporate communications practice in Oslo, and Fearnley Data's marketing department. She has extensive experience from corporate communications, and as non-executive director on the boards of companies in the finance and service sectors and membership associations.



Nicolas Bernier Abad, Policy Officer, Accounting and Financial Reporting, DG FISMA, European Commission

Nicolas Bernier Abad, Spanish economist, joined the European Commission in July 2002, where he currently works on the Capital Markets Union initiative and on company accounting policy in DG Financial Stability, Financial Services and Capital Markets Union. Until March 2009 he was in DG Trade and served in the European team in charge of services and investment, responsible for WTO/GATS negotiations (Doha Development Agenda round) and bilateral trade negotiations, including the European Partnership Agreements in the World Trade Organization. Before joining the European Commission, Mr Bernier Abad was in the financial department of a large multinational company.



Neil Stevenson, Managing Director: Global Implementation, International Integrated Reporting Council

Neil Stevenson has nearly 20 years of experience in the accounting and finance sectors. At the IIRC, he leads on developing a strong global brand for Integrated Reporting and key institutional relationships.

Neil was involved in the communications group that established the <IR> brand in 2010 and subsequently served on the IIRC Working Group which provided guidance on the development of the IIRC as a global organization and the International <IR> Framework. He therefore has long-standing insight into the work of IIRC and how its brand can be developed to support adoption of <IR> worldwide. Through his working experience and his work with the IIRC, Neil has extensive links to organizations who are well placed to influence the market at all levels and across stakeholder groups.

Neil has previously worked in senior marketing and brand roles at ACCA and PwC, with responsibilities including oversight of policy and thought leadership. He was educated at the Universities of Cambridge and Leeds and is a member of CIM.



Jo Iwasaki, Head of Corporate Governance, ACCA

Jo Iwasaki is Head of Corporate Governance at ACCA. She leads ACCA's thinking on corporate governance, including governance principles, board responsibilities, and corporate culture and governance. She has presented and lectured to various audiences, including directors, academics, and students. She is a fellow chartered accountant and was qualified while working in the tax and audit departments at PricewaterhouseCoopers. In addition to corporate governance, she also has extensive experience in auditing and assurance.



Paola Schwizer, Chair of Nedcommunity, ecoDa's board member

Paola Schwizer is Full Professor in Financial Markets and Institutions at University of Parma (Italy) and Professor at the Banking and Insurance Department of SDA Bocconi School of Management.

Previously, she has been researcher at Bocconi University from 1994 to 1998 and Associate Professor in other Italian universities from 1998 to 2003.

She has been appointed as the chair of Nedcommunity, the Italian Association of Non Executive and Independent Directors. She is a board member of ecoDa. She is member of the board of directors of Credito Emiliano S.p.A. (listed on Borsa Italiana S.p.A.), of the board of statutory auditors of several financial intermediaries and of the board of directors of Università del Salento (Italy). Since 2007 she is member of Editorial Board of the Journal of Management and Governance.

She has extensive experience in training on corporate governance, risk management and internal control systems, in Central Banks, private banks and non-banks listed companies.

She is member of the Scientific Committee of the PhD School in Economics and Law, University of Parma (Italy) and of the Faculty Committee of the PhD in Economics and in Management, University of Parma (Italy). She is author or coauthor of several publications on banking strategies and organization, corporate governance, regulation and competition in the financial system.



Farid Aractingi, IIA France, Vice President, Audit, Risk and Organisation, Renault, Chairman, Renault Consulting

Farid Aractingi has been in charge of the Audit, Risk and Organisation department of Renault, the 3rd largest automotive company in Europe, since 2011 when he was instrumental in the re-organisation of the group and its governance structure. Prior to 2011, he served as Chief Audit Executive of Renault for 5 years during which time he transformed the traditional Internal Audit department into a strategic business partner and defined the concept of "lean audit" based on three pillars: Cross-functionality, basic controls and "pragmatic courage". Farid also chairs Renault Consulting, an in-house consulting firm of 150 consultants in Paris, London and Madrid.

From 1976 to 2006, Farid developed deep expertise in information systems with various corporations, being appointed CIO of Bull France in 1994. From 1999 to 2001, as the CIO of Renault for support functions, he was responsible for the implementation of SAP for finance, purchasing and HR. Farid also created and managed two subsidiaries in IS/IT: Integris Data

Services, to host the entire outsourcing business of Bull in Europe, and RNIS, a Joint Venture between Renault and Nissan for common telecommunications, infrastructure services and enterprise architecture, spending five years in Tokyo from 2002 to 2006 as Managing Director. In 2012, Farid was elected Chairman of the Board of the IFACI (Institut Français de l'Audit et du Contrôle Interne). IFACI is a professional association with over 5 900 members from the Internal Audit, Internal Control and Risk Management professions, providing training, certifications, research studies and other professional services, generating 6 M€ of total revenue. In his role as Chairman, Farid has established strong connections within the French and international Risk Management and Internal Audit communities, playing a major role in the ground-breaking development of the "Three Lines of Defence" business model. He also teaches Internal Control and Audit as part of the certification program launched by Sciences-Po and the French Institute of Directors, targeted at future Board members. Born in Lebanon, Farid holds an MS in Engineering from the Ecole des Mines in France and a BA in History, as well as an Executive MBA from Wharton in Philadelphia, USA. He has worked in Europe, USA and Japan and is fluent in English, French and Arabic.



Olivier Boutellis-Taft, CEO, FEE (Fédération des Experts-Comptables Européens)

Olivier Boutellis-Taft joined FEE in October 2006 as CEO.

Prior to this, he benefited from a diversified professional experience, having been a Director with PricewaterhouseCoopers, a Director of the European Policy Centre (a leading multi-constituency think-tank in Brussels), a lecturer on EU affairs at Toulouse Business School, a public prosecutor in France and a consultant serving in particular the banking and media industries. A lawyer and economist by training, Olivier also held several board positions as a non-executive director. He started his professional career in equestrian sports (jumping). He is a permanent FEE representative at the European Commission Platform for Tax Good Governance, Aggressive Tax Planning and Double Taxation. Olivier was nominated as one of the 50 most influential people in accounting by the magazine *The Accountant*, one of the oldest and most prestigious trade magazines in the world, in 2012, 2013 and 2014.



David Szafran, lawyer, Law Square

David Szafran is a lawyer at Law Square (Brussels), focusing in particular on advising clients on corporate governance, compliance and corporate law, especially in regulated sectors including the financial sector.

He is also a censor and member of the audit committee of the National Bank of Belgium, chair of the audit committee of a real estate company (SAU), assessor vice president of the Belgian Competition Authority, assistant professor at the Free University of Brussels (ULB) and chair of ISAR 30th Session (UNCTAD).

He graduated in Law at the ULB in 1993 and obtained a post-university degree in economic and financial law at the ULB in 1995. Since then, he has been a lawyer at the Brussels' Bar for over 6 years, member of cabinet of the deputy prime minister of Belgium, and Secretary general of the Belgian Institute of Registered Auditors for 13 years. Most recently, he was a Director at PwC.

He speaks native French and fluent Dutch and English, and has published and made numerous communications on financial law, auditing, accounting, competition law, corporate law and corporate governance, including a monograph on auditor's independence.



Henrik Stein, IIA Germany

Since 2003, Henrik Stein has headed up the Group Audit function of DZ BANK AG. Previously, he was a consultant for Ernst & Young Deutschland, Advisory Services, and in different capacities at Dresdner Bank AG, including as Director for Group Corporate Development. The main focus of his work has always been internal audit in financial institutions.

Stein is President of ECIIA and Chair of its Banking Committee. He has been a Board member of the German IIA (DIIR) since 2009. He graduated from the University of Hamburg with the "Diplom-Betriebswirt" in 1989. He is based in Frankfurt/Main and has worked in several countries worldwide.

Questions

Introductory presentations

- The view of a Board member/Audit Committee Chair or member - Paola Schwitzer (Chair of Nedcommunity, ecoDa's board member)
The new reporting duties: what does it mean for the Board ?
How the Non-Financial Reporting Directive might foster the dialogue between the board and the shareholders to define the non-financial information relevant for the company?
What is expected from the internal auditors and the external auditors ? Shouldn't it touch upon the impact on their relationship with the board?
- The view of a Chief Audit Executive – Farid Arcatingi, CAE from Renault, ECIIA Vice President
What's the role of the internal auditor in the light of new requirements ? (no one size fits all solution)
How they can help to avoid greenwashing?
What is the relation with the second line of defense?
Do we need an integrated reporting approach with the different actors ?

Panel discussion (45 minutes)

Panelists will prepare 5-6mn introductory remarks, based on the below questions (**we will discuss who will dealing with which questions during the conference call- [any suggestions for additional questions are also welcome](#)**) . Jo Iwasaki, your moderator, will then prepare individual questions for each panelists, which will be shared in advance.

- Should the board be concerned of the new reporting requirements? If so, what are they doing about it?
- What are the key success factors for an accurate, transparent and effective reporting, what can auditors bring ?

- Do we need a single level-playing field for the preparation of the non financial reports in all sectors in Europe : A standardized approach ? A global framework ? How does this work with the common sense 'no one size fits all'?
- What is the most appropriate assurance model to enhance the credibility of non financial information ?
- How new Digital tools can help the board to ensure all the relevant actors(who are we talking about?) interact with each other and to provide a clear picture?
- Does the new legislation on the Audit Reform still leave enough time to the audit committee to deal with other topics like non-financial reporting?