

MEDIA RELEASE



International Organization of Securities Commissions
Organisation internationale des commissions de valeurs
Organização Internacional das Comissões de Valores
Organización Internacional de Comisiones de Valores
المنظمة الدولية لهيئات الأوراق المالية

IOSCO/MR/15/2020

Madrid, 29 May 2020

IOSCO encourages issuers' fair disclosure about COVID-19 related impacts

The Board of the International Organization of Securities Commissions (IOSCO) today issued [a public statement](#) highlighting the importance to investors and other stakeholders of having timely and high-quality information about the impact of COVID-19 on issuers' operating performance, financial position and prospects.

The pandemic and the uncertainty it has caused have material implications for financial reporting and auditing, including issuers' disclosures of current and reliable information material to investment decisions. Current circumstances may make disclosures outside the financial statements more challenging and hence make high quality disclosures that much more important. In light of COVID-19, IOSCO confirms its commitment to the development, consistent application and enforcement of high-quality reporting standards and disclosure regulations, which are critical to the proper functioning of the capital markets.

In its *Statement on Importance of Disclosure about COVID-19*, IOSCO:

- Reiterates the importance of disclosure of the impact on amounts recognized, measured and presented in the financial statements.
- Highlights the importance of transparent and complete disclosures, noting that in an environment of heightened uncertainty, disclosures should be entity-specific and transparent, particularly when involving significant judgments and estimates.
- Restates that in the current environment, it is important that issuers are mindful of the elements of reliable and informative non-GAAP measures.
- Notes that interim financial information will require more robust disclosures of material information and management's response to the changing circumstances.
- Reminds auditors of their responsibilities to report on Key Audit Matters (KAM), including how the auditor addressed the matters.
- Encourages issuers to balance the flexibility provided by regulators extending the period to file financial information with the responsibility to provide timely and comprehensive financial information that includes reasonable and supportable judgments.