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# ***Structured Data***

## ***Impact on analyst profession***





1

## Why Structured Data?

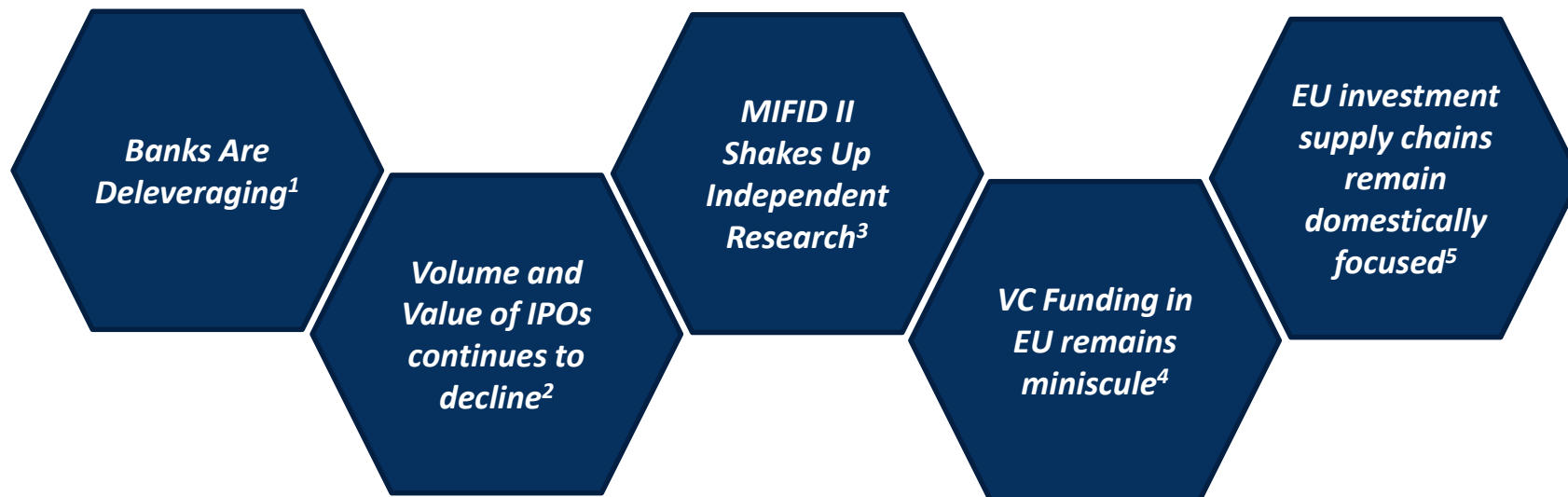
2

ESEF and what do users want?

3

iXBRL

# A Challenging Time for Capital Formation in the EU



<sup>1</sup> <https://www.ecb.europa.eu/pub/pdf/other/reportonfinancialstructures201610.en.pdf>

<sup>2</sup> <http://www.pwc.co.uk/capitalmarkets/publications/ipo-watch-europe.html>

<sup>3</sup> <https://www.bloomberg.com/professional/blog/future-equity-research/>

<sup>4</sup> <https://assets.kpmg.com/content/dam/kpmg/xx/pdf/2017/01/venture-pulse-q4-2016-report.pdf>

<sup>5</sup> [http://ec.europa.eu/finance/capital-markets-union/index\\_en.htm](http://ec.europa.eu/finance/capital-markets-union/index_en.htm)

# Huge **Opportunity** for Enhanced Capital Markets in EU

## *Fintech ⇔ Rapid Technical Development*

*Artificial  
Intelligence*

*Big Data  
Capabilities*

*DLT  
(aka  
Blockchain)*

*Cloud/API-  
driven data  
interactions*

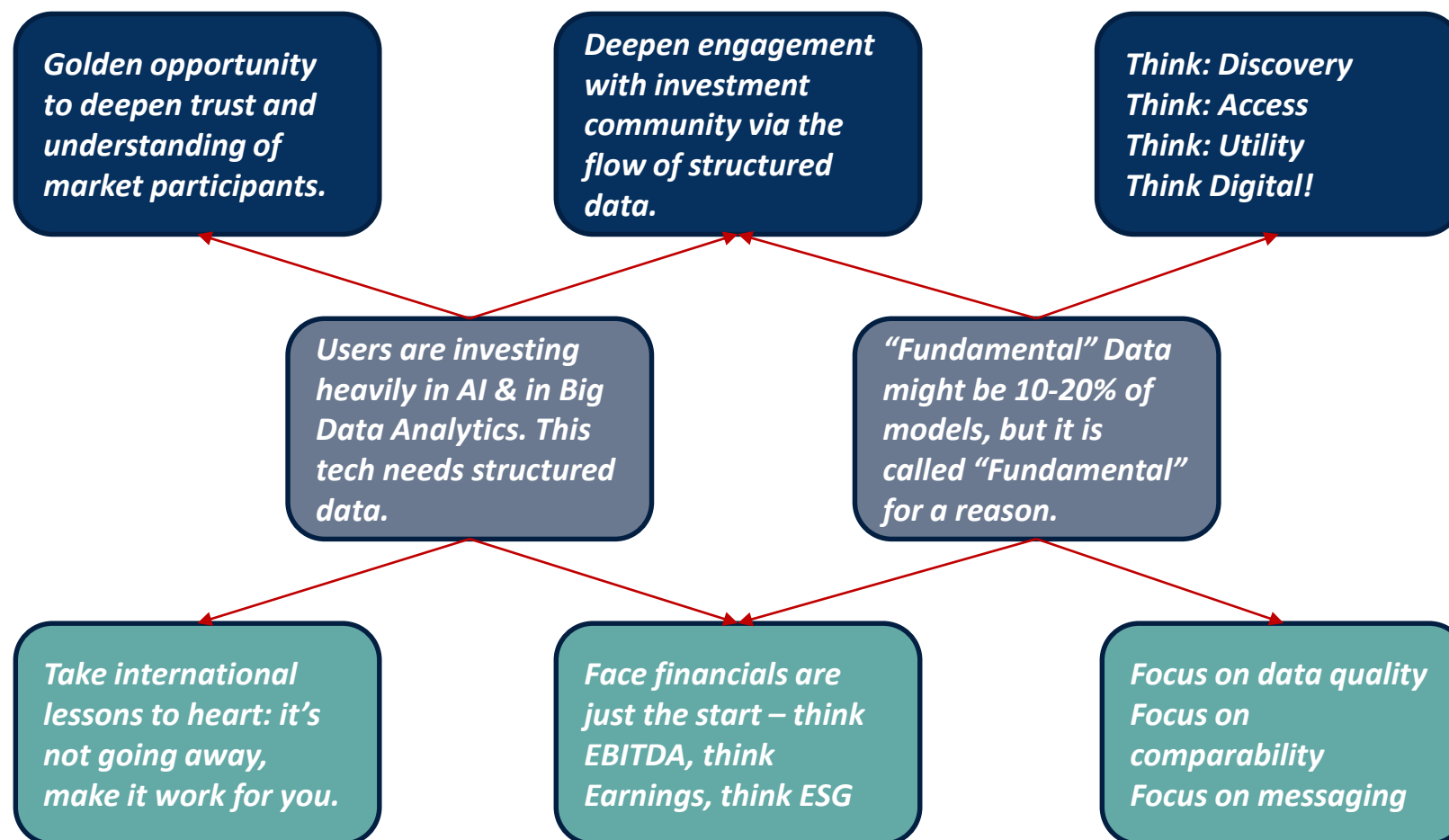
*“Consumerised”  
Systems  
(Including  
Mobile)*

“Digital First” is an underlying assumption for all of these developments

# Structured Data – Essential Plumbing



# Don't waste ESEF!



# Think Big!



## ESEF/Markets

- Education
- Quality
- Innovation
- Analytics
- Expand to EU business registrars



## Risk Data

- Quality
- National Integration
- Encourage “Native” use within Fis
- Enhance use of identifiers to improve analytics



## Broader Applications

- Encourage specialised collaboration (SBR, ABS)
- Encourage integrated thinking across national boundaries (Business Registrars, Credit Assessment)
- Focus on Analytics & Reuse

# Please Take Away These Three Points

1. The opportunities that ESEF represents for enhanced market access and capital formation across Europe are both **large and important**.
2. Although digital reporting data is just “plumbing”, this is **vital infrastructure** for improved market functioning, to risk management and to wider business and government interactions.
3. Europe can create a lasting competitive advantage if the shift to digital reporting is smooth. **Don't treat this as a compliance exercise**. Think of it as a **direct line** to the investment community. Issuers and users need to collaborate to ensure markets fully benefit from this shift.





1 Why Structured Data?

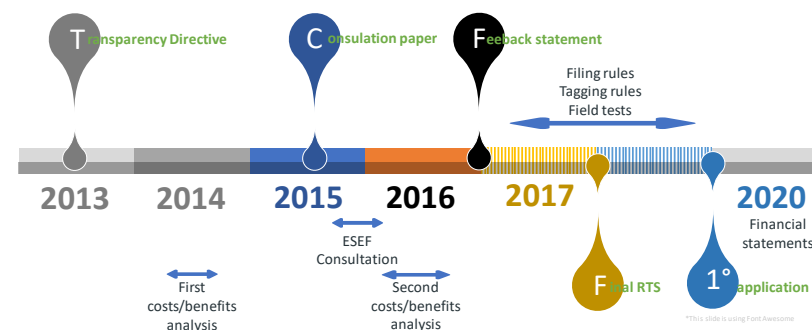
2 **ESEF and what do users want?**

3 iXBRL

# European Single Electronic Format (ESEF)

## Reason for ESEF:

- *The Transparency Directive requires issuers on regulated markets to prepare their annual financial reports in a single electronic reporting format as of January 1, 2020.*
- *ESMA (2016)*
  - *Is developing Regulatory Technical Standard to specify structured electronic reporting format,*
  - *Undertook Cost Benefit Analysis (CBA)*
  - *Consulted stakeholders through a Consultation Paper.*
  - *Assessed all possible electronic reporting formats*
  - *Conducted appropriate field tests*
- *ESMA 2018 ...*



# USERS requirements vs ESMA Policy objectives

- **Policy:**

- *Electronic reporting must be easier for issuers compared to current practices*
- *Electronic reporting must facilitate accessibility to investors*
- *Electronic reporting must facilitate analysis for investors and competent authorities*
- *Electronic reporting must facilitate comparability of AFR*
- *Electronic reporting for banks, financial intermediaries and insurers must take specifics into account*

- **Users**



EFFAS THE EUROPEAN FEDERATION  
OF FINANCIAL ANALYSTS SOCIETIES



The Corporate Reporting Users' Forum



- *Fully agreed with those findings and added:*
  - » *Electronic reporting should save costs*
  - » *Electronic Reporting must serve as a basis for audits. Electronic assurance is logical and a must*
- *Though user views were not the same everywhere, larges user organisations shared common view.*

# Do USERS want more?

- **EXTRA's**

- *Non financial and strategic reporting becomes more important* → *Extend please!*
- *Agreement on the technology used?* → *Yes if adequately used in a uniform way.*
- *IFRS taxonomy is the basis* → *Yes, but add certain non Gaap measures.*
- *Entity specific extensions not in ESEF* → *OK for now, but to be reviewed in the future.*
- *Different stages conso and non conso?* → *Preferably all in one stage for comparability.*
- *ESEF also for third country GAAP?* → *EU core taxonomy for national GAAP's needed*
- *Phased approach for SME?* → *Focus on listed companies, same format for large and small*

- *Fairly comparable view by most representative user organisations.*

We know that existing data providers will consume and resell all of this data – it should be more accurate and more useful.

We can be confident that new Fintech firms will offer this data with new value-adds.

We can be sure that new and simpler ways to consume data are close at hand.

### Do USERS want more?

CLAIRFIELD  
INTERNATIONAL

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How quickly can our markets make that transition?



How can we ensure that the data is higher quality and higher value?

How quickly can we integrate other forms of newly “fundamental information” in digital form?  
Intangibles? Integrated Reports? TCFD disclosures?

## Companies impacted by ESEF

- 1. Educate your Team Now**
- 2. Minimise Outsourcing.**
- 3. Maximise Integration of Structured Data and Standardised Terms in Internal and External Reporting – Disclosure Management and Beyond.**
- 4. Rethink Reporting – What can you automate, improve and integrate in your operations?**
- 5. Develop Skills to Consume the Data, not just Produce it – Pre-empt Digitally Savvy Analysts and Investors Benchmark, Compare, Contrast.**

## Regulators impacted by ESEF

- 1. Educate Your Team Now**
- 2. Please work hard to ensure consistency across member states!**
- 3. Please encourage comparability in disclosures!**
- 4. Rethink your analysis and quality review processes – add data scientists into the mix**
- 5. How can you accelerate the shift to digital to help create an EU-wide financial markets advantage? Other disclosures? Open Data?**



## **Users impacted by ESEF**

- 1. Educate your team now**
- 2. Make the leap beyond the spreadsheet. Make your team experts in digital analytics and beyond (ML, Big Data)**
- 3. Encourage quality and comparability in digital disclosures – question companies about their ESEF filings**
- 4. Demonstrate to companies and to regulators what you can do – and what you'd like to be able to do with structured data**
- 5. Do all of this and then... surprise your clients with insights, over the horizon thinking and new ways to enhance capital allocation!**



1 Why Structured Data?

2 ESEF and what do users want?

3 **iXBRL**

# WHAT IS iXBRL, OR STRUCTURED REPORTING?

Inline XBRL sample: Faurec x

John

www.xbrl.org/ixbrl-samples/faurecia-income-statement.html

## 9.1. Consolidated statement of comprehensive income

(in € millions)

	Notes	2014	2013	2012
<b>SALES</b>	4	<b>18,828.9</b>	<b>18,028.6</b>	<b>17,364.5</b>
Cost of sales	5	(17,271.8)	(16,636.1)	(16,038.7)
Research and development costs	5	(235.5)	(254.0)	(239.6)
Selling and administrative expenses	5	(648.3)	(600.2)	(569.9)
<b>OPERATING INCOME (LOSS)</b>		<b>673.3</b>	<b>538.3</b>	<b>516.3</b>
Other non-operating income	6	5.1	4.8	15.5
Other non-operating expense	6	(91.6)	(111.6)	(102.7)
Income on loans, cash investments and marketable securities		8.0	9.0	10.2
Finance costs		(191.1)	(196.9)	(175.4)
Other financial income and expense	7	(60.5)	(46.4)	(31.9)
<b>INCOME (LOSS) BEFORE TAX OF FULLY CONSOLIDATED COMPANIES</b>		<b>343.2</b>	<b>197.2</b>	<b>232.0</b>

Inline XBRL

**xBRL**  
THE BUSINESS REPORTING STANDARD

These samples have been prepared by XBRL International as a technology demonstration, and the accuracy of figures and information contained within this sample should not be relied upon for any purpose whatsoever.

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Highlight all tags  
**Line item**  
 ifrs-full:Revenue  
**Value**  
 € 18,828,900,000.00  
**Period**  
 2014-01-01 to 2014-12-31  
**Units**  
 iso4217:EUR  
**Entity**  
 969500F0VMZLK2IUUV85


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Inline XBRL Sample - Valeo X John

www.xbrl.org/ixbrl-samples/valeo-income-statement.html

## 5.4.1 Consolidated statement of income

(in millions of euros)	Notes	2014	Inline XBRL
<b>SALES</b>	4.1	12,725	Line item ifrs-full:GrossProfit
<b>Cost of sales</b>	4.3	(10,522)	Value (9,653)
<b>GROSS MARGIN</b>	4.3	2,203	€ 2,203,000,000.00
<i>% of sales</i>		17.3%	17.2%
<b>Research and Development expenditure, net</b>	4.51	(685)	Period (614)
<b>Selling expenses</b>		(207)	2014-01-01 to 2014-12-31
<b>Administrative expenses</b>		(449)	(193)
<b>OPERATING MARGIN</b>		862	Units (436)
<i>% of sales</i>		6.8%	iso4217:EUR 766
<b>Share in net earnings of equity-accounted companies</b>	4.5 3.1	51	6.6%
<b>OPERATING MARGIN INCLUDING SHARE IN NET EARNINGS OF EQUITY-ACCOUNTED COMPANIES</b>	4.5	913	Entity 5493006IH2N2WMIBB742
			792

**xBRL**  
THE BUSINESS REPORTING STANDARD

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Inline XBRL sample: Faurecia

www.xbrl.org/ixbrl-samples/faurecia-info-by-segment.html

**NOTE 4 INFORMATION BY OPERATING SEGMENT**

For internal reporting purposes the Group is structured into the following four business units based on the type of products and services provided:

- Automotive Seating (design of vehicle seats, manufacture of seating frames and adjustment mechanisms, and assembly of complete seating units);
- Emissions Control Technologies (design and manufacture of exhaust systems);
- Interior Systems (design and manufacture of instrument panels, door panels and modules, and acoustic components);
- Automotive Exteriors (design and manufacture of exterior panels and safety modules).

These business units are managed on a separate basis in terms of reviewing their individual performance and allocating resources. The tables below show the key indicators used to measure the performance of each notably operating income - and expense, and statements. Borrowings, other operating income and expense, and tax are monitored at Group level and are not allocated to the various segments.

**4.1 Key figures by operating segment**

**2014**

(in € millions)	Automotive Seating	Emissions Control Technologies	Interior Systems	Automotive Exteriors
<b>Sales</b>	<b>5,318.9</b>	<b>6,749.6</b>	<b>4,737.0</b>	<b>2,069.7</b>
Inter-segment eliminations	(9.8)	(2.2)	(27.7)	(6.6)
<b>Consolidated sales</b>	<b>5,309.1</b>	<b>6,747.4</b>	<b>4,709.3</b>	<b>2,063.1</b>
Operating income (loss) before allocation of costs	238.6	260.6	134.1	55.7
Allocation of costs	(4.5)	(4.2)	(5.2)	(2.0)
<b>Operating income (loss)</b>	<b>234.1</b>	<b>256.6</b>	<b>128.9</b>	<b>53.7</b>
Other non-operating income				
Other non-operating expense				
Finance costs, net				
Other financial income and				

Inline XBRL

Highlight all tags

Line item  
ifrs-full:Revenue

Value  
€ 5,318,900,000.00

Period  
2014-01-01 to 2014-12-31

ifrs-full:SegmentConsolidationItemsAxis  
ifrs-full:OperatingSegmentsMember

ifrs-full:SegmentsAxis  
faurecia:AutomotiveSeatingMember

Units  
iso4217:EUR Total

Entity  
969500F0VMZLK2IULV85

The screenshot shows a web browser window with two tabs: 'Inline XBRL sample: Faurec...' and 'LEI Reference Data - lei - G X'. The address bar shows the URL 'https://www.gleif.org/lei/969500FOVM...'. The page header includes the LEI logo, a search bar with 'LEI Search' and 'Search LEI Records' options, and social media icons for Twitter and LinkedIn. Below the header, the page title is 'LEI Reference Data' with a 'Back to LEI Search' link. The main content area displays 'FAURECIA' with a French flag icon and the text 'NANTERRE, France'. There are 'Share' and 'Tweet' buttons. A table titled 'Entity details' provides the following information:

Entity details	
LEI	969500FOVMZLK2IULV85
ENTITY LEGAL NAME	FAURECIA
OTHER ENTITY NAMES	FAURECIA
BUSINESS REGISTER	FR001
BUSINESS REGISTER ENTITY ID	542005376
LEGAL JURISDICTION	FR
LEGAL FORM	Société anonyme à conseil d'administration



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(in € millions)

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Income tax expense	7	(191.1)	(31.9)
<b>TAX OF FULLY EFFECTIVE TAXES</b>		<b>(60.5)</b>	232.0
		<b>343.2</b>	

Highlight all tags  
 Line item: ifrs-full:Revenue  
 Value: € 18,828,900,000.00  
 Period: 2014-01-01 to 2014-12-31  
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 Entity: 969500F0VMZLK2IULV85

**18,828,900,000**

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## Contact details

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