



NOREA

Mr. Wilfried Olthof
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[Submitted to: norea@norea.nl](mailto:norea@norea.nl)

Subject: Eumedion response to NOREA's Reporting Initiative - Management of IT
Ref: B23.12

The Hague, 30 May 2023

Dear Mr. Olthof,

Eumedion acknowledges and values the initiative taken by NOREA to develop a comprehensive set of reporting standards that accurately capture the key aspects of IT management within an organisation. Eumedion is the dedicated representative of the interests of 55 institutional investors, all of whom are committed to a long-term investment horizon. Collectively, our members invest over € 8 trillion of capital in equity and corporate non-equity instruments. Eumedion aims to promote good corporate governance and corporate sustainability at the companies our members invest in.

Eumedion recognises that effective IT management plays a crucial role in the short- and long-term viability of most companies. Well-managed IT systems can provide a competitive advantage, while inadequate IT management can significantly impede the execution of a corporate strategy and could even lead to corporate failure. However, we believe that the current proposed standards would result in reporting that is too extensive for enhancing decisions to invest in companies and to enter into engagement with management.

We would identify management itself and non-executives, or supervisory board members as the primary target audience of reporting in accordance with the proposed standards. External auditors could also benefit from these standards as a gauge for assessing whether reported IT risks by the company, or the lack of such reporting, could be judged as a material shortcoming.

It may be beneficial to develop a more focused set of reporting standards on IT management that specifically address key strategic IT risks, opportunities, and possibly key indicators of IT performance. Such standards should not overshoot the information needs of investors. We concur with NOREA that there is more merit in resembling, at a high level, GRI's approach in drafting a standard with a focus on transparency, as opposed to developing strict norms. It does remain difficult to oversee how a new set of narrowed down requirements on IT management may overlap or interact with other (future) thematic or integrated reporting standards by the ISSB/EFRAAG/GRI.

If you would like to discuss our views in further detail, please do not hesitate to contact us. Our contact person is Martijn Bos (martijn.bos@eumedion.nl, +31 70 2040 304).

Yours sincerely,

Rients Abma
Executive Director

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