
IFRS[®] Interpretations Committee meeting

Date	June 2026
Project	Management-defined Performance Measures—Public Communications (IFRS 18)
Topic	Initial consideration
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Introduction

1. The IFRS Interpretations Committee (Committee) received a submission asking whether investor presentations provided on a confidential basis to a restricted group of shareholders or potential investors are public communications for the purposes of identifying a management-defined performance measure (MPM) when applying IFRS 18 *Presentation and Disclosure in Financial Statements*.
2. The objective of this paper is:
 - (a) to provide the Committee with a summary of the matter;
 - (b) to present our research and analysis; and
 - (c) to ask the Committee whether it agrees with our conclusion that a standard-setting project is not needed to address the question and with our recommendation to publish a tentative agenda decision.

Structure of this paper

3. This paper includes:
 - (a) [background and summary of the submission](#) (paragraphs 5–10);
 - (b) [staff analysis](#) (paragraphs 11–27); and
 - (c) [staff conclusion and recommendation](#) (paragraphs 28–29).
4. There are two appendices to this paper:
 - (a) [Appendix A—suggested wording for the tentative agenda decision](#); and
 - (b) [Appendix B—submission](#).

Background and summary of the submission

5. Paragraph 117 of IFRS 18 contains the definition of an MPM:

A management-defined performance measure is a subtotal of income and expenses that (see paragraphs B113–B122):

 - (a) an entity uses in public communications outside financial statements;

...
6. Paragraph B119 of IFRS 18 states (*emphasis added*):

A subtotal meets the definition of a management-defined performance measure only if an entity uses it in public communications outside its financial statements. *Public communications include management commentary, press releases and investor presentations.* For the purpose of defining management-defined performance measures, public communications exclude oral communications, written transcripts of oral communications and social media posts.

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7. The submission describes a fact pattern in which:
 - (a) a private entity prepares and shares investor presentations (including investor pitch materials) with a restricted group of shareholders or potential investors;
 - (b) the investor presentations are shared under agreements which require confidentiality and prevent redistribution of the presentations to other parties; and
 - (c) the investor presentations are not published online, included in press releases, distributed to analysts, or otherwise made accessible to a broader or undefined external audience.
 8. The submission focuses on the meaning of ‘public communications’ in part (a) of the definition of an MPM (see paragraph 5). The submission asks whether the investor presentations—which contain performance measures that could otherwise meet the definition of an MPM—are ‘public communications’.
 9. The submission outlines two views:
 - (a) View A—the investor presentations are not public communications. For a communication to be public it must have been distributed to an unspecified or broad group of external users. The use of ‘investor presentations’ in paragraph B119 of IFRS 18 (see paragraph 6) is only an example of something that could be distributed in such a way. Applying this view, any performance measures included in the investor presentations are not MPMs.
 - (b) View B—the investor presentations are public communications. The use of ‘investor presentations’ in paragraph B119 of IFRS 18 means all investor facing materials are public communications. Applying this view, any performance measures included in the investor presentations could—subject to meeting the other requirements for MPMs—be MPMs.
 10. [Appendix B](#) reproduces the submission, which provides further details about the fact pattern and the alternative views identified by the submitter.

Staff analysis

11. Paragraph 5.19 of the IFRS Foundation's *Due Process Handbook* (*Handbook*) states that the Committee assesses the need for a standard-setting project based on whether:
- (a) the matter has widespread effect—that is:
 - (i) the circumstance or transaction is prevalent, or is expected to be prevalent; and
 - (ii) there is diversity, or expected diversity, in the application of IFRS Accounting Standards that has, or is expected to have, a material effect on those affected;
 - (b) it is necessary to add or change requirements in IFRS Accounting Standards to improve financial reporting—that is, the principles and requirements in IFRS Accounting Standards do not provide an adequate basis for an entity to determine the required accounting;
 - (c) the matter can be resolved efficiently within the confines of the existing Standards and the *Conceptual Framework for Financial Reporting*; and
 - (d) the matter is sufficiently narrow in scope that the International Accounting Standards Board (IASB) or the Committee can address it efficiently, but not so narrow that it is not cost-effective for the IASB or the Committee and stakeholders to undertake the due process required to amend an IFRS Accounting Standard.

Assessment of paragraph 5.19(a)

12. The purpose of any information request we send to stakeholders is to understand whether a submission meets the criterion in paragraph 5.19(a) of the *Handbook*—that is, whether the matter set out in the submission has widespread effect. We consider:
- (a) the prevalence, or expected prevalence, of the transaction or fact pattern submitted; and

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- (b) whether there is diversity, or expected diversity, in the application of IFRS Accounting Standards to that transaction or fact pattern that has, or is expected to have, a material effect on those affected.
13. We did not send an information request related to this submission for the following reasons:
- (a) most entities are in the process of applying—but have not yet applied—IFRS 18. Accordingly, stakeholders would be unable to comment on the existence of diversity in the application of the applicable requirements.
- (b) the submitter notes:
- (i) performance measures are widely used by entities in many jurisdictions and investor materials of the type described in the submission are ‘routinely used’ by private entities.
- (ii) they are aware of other private entities concluding the requirements are unclear in respect of the matter raised in the submission as those entities work through their IFRS 18 implementation projects.
- (c) we have had informal conversations with some stakeholders (including, for example, accounting firms and preparers) that have confirmed the points in paragraph (b). Those stakeholders informed us of discussions they have had on similar questions as that raised by the submitter, and these conversations confirmed that stakeholders understand the applicable requirements differently.
14. In our view, the evidence gathered indicates the matter could have widespread effect because:
- (a) we understand that private entities applying IFRS Accounting Standards are common. The submission notes that such entities often distribute confidential investor materials to shareholders and potential investors.
- (b) differences in understanding the applicable requirements could result in diversity in applying those requirements once IFRS 18 becomes effective. The

outcome of the question affects whether those performance measures are MPMs and, therefore, whether the requirements for MPMs apply.

15. In our view, the criterion set out in paragraph 5.19(a) of the *Handbook* is met for this matter. Therefore, we have proceeded to analyse the question submitted.

Assessment of paragraph 5.19(b)

Applicable requirements

16. Paragraph 5 of this paper reproduces relevant excerpts of paragraph 117 of IFRS 18 which contains the definition of an MPM and paragraph 6 reproduces paragraph B119 of IFRS 18 which includes the relevant application guidance. In addition, paragraphs BC335 and BC342 of the Basis for Conclusions accompanying IFRS 18 (Basis for Conclusions) state:

BC335 Some stakeholders raised concerns that ‘public communications’ is not defined and could be interpreted broadly, making it onerous for an entity (and auditors and regulators) to identify all publicly communicated measures. However, the IASB observed that an entity actively decides how it communicates publicly and the performance measures it includes in those communications. An entity usually has systems and processes in place to monitor and control its communications to comply with laws and regulations restricting the type and timing of information permitted to be provided to the market—for example, to prevent unfair advantages arising from communicating such information to different parties at different times.

BC342 The IASB also considered providing specific requirements for private entities because such entities are less likely to have public communications than public entities. However, the IASB concluded that the intention of the requirements is to provide

transparency and discipline over measures communicated to users outside the financial statements, regardless of whether the entity is public or private. If an entity communicates no measures of financial performance outside the financial statements, then no measures require additional disclosures. The requirements apply to all entities applying IFRS Accounting Standards and, therefore, if a private entity communicates subtotals that meet the definition of ‘management-defined performance measures’ it is subject to the requirements.

Applying the requirements

17. As noted in paragraph BC342 of IFRS 18, the requirements of IFRS 18 apply in the same way to private entities as they do to public entities. If a private entity communicates subtotals that meet the definition of an MPM it is subject to the MPM requirements. Our analysis considers:
- (a) whether the use of the term ‘investor presentation’ in paragraph B119 means all investor presentations are public communications (paragraph 18); and
 - (b) how to determine whether a communication is a ‘public communication’ (paragraphs 19–23).

Does the use of the term ‘investor presentations’ in paragraph B119 mean all investor presentations are public communications?

18. In our view, the reference to ‘investor presentations’ in paragraph B119 of IFRS 18 should not be read to say that all investor presentations are public communications. The reference to investor presentations should be read as an example of a communication that might, depending on facts and circumstance, be a public communication. In particular:
- (a) IFRS Accounting Standards are principle based. The principle an entity considers in applying IFRS 18 in this instance is the definition of an MPM in paragraph 117(a) of IFRS 18—that is, whether a particular form of

communication is a public communication. Paragraph B119 provides additional requirements and lists particular communications that ‘public communications’ include and exclude to help entities make that assessment.

- (b) IFRS Accounting Standards do not define or explain what makes a particular communication an investor presentation. Although a document might be labelled as an ‘investor presentation’, it might not contain what the IASB envisaged would make a document an ‘investor presentation’. Conversely, a document not labelled as an ‘investor presentation’ might contain what the IASB envisaged would make a document an ‘investor presentation’.
- (c) In paragraph B79 of the [Exposure Draft *General Presentation and Disclosures*](#) (Exposure Draft), which developed into IFRS 18, ‘investor presentations’ are included as a list of examples. The IASB didn’t make any decisions to change the status of these items when redeliberating the Exposure Draft. Accordingly, we think the change in drafting of this list, from ‘for example...’ in the Exposure Draft to ‘include...’ in paragraph B119 of IFRS 18, was not meant to signal that all communications labelled as investor presentations are public communications.

How to determine whether a communication is a ‘public communication’

19. In developing IFRS 18, the IASB considered but decided not to define the term public communications. As paragraph BC335 of IFRS 18 notes, stakeholders previously raised concerns about how the term could be interpreted in the absence of a definition. The IASB discussed these concerns when redeliberating the Exposure Draft. Paragraph 14(b)(i) of [Agenda Paper 12B](#) to the IASB’s November 2021 meeting (November agenda paper) highlights that questions arose about whether an item of communication needs to be accessible to everybody to be considered ‘public’, which is similar to the question raised in the submission.

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20. The November agenda paper highlights two factors the IASB considered in deciding not to define ‘public communications’:
- (a) paragraph 25 of that paper notes the risk of unintended consequences for other IFRS Accounting Standards that use the term ‘public’ or ‘publicly’. For example, paragraph 21 of IAS 37 *Provisions Contingent Liabilities and Contingent Assets* refers to the term ‘public statement’ in the context of constructive obligations. Another example is the use of ‘financial statements that are available for public use’ in the exemption from consolidation requirements in paragraph 4(a)(iv) of IFRS 10 *Consolidated Financial Statements*.
 - (b) paragraphs 18–24 of that paper discuss what is understood as ‘public communications’. Those paragraphs include dictionary definitions of ‘public’ and similar concepts in regulations. Paragraph 19 of that paper notes the staff thought the common interpretation of ‘public’ is wide in scope. For example, the Merriam-Webster definition for public as an adjective is: (a) exposed to general view, open, (b) well-known, prominent, (c) perceptible, material.
21. Given that IFRS 18 does not define the term public communications, we think an entity is required to apply judgement in assessing whether an item of communication is a public communication.
22. We think that in addition to considering its systems and processes in place to monitor and control its communications (as highlighted in paragraph BC335 of IFRS 18), considering common understandings of the term ‘public’ and how an entity applies that term when considering its reference in other IFRS Accounting Standards could help assess whether a particular communication is a public communication.
23. However, considering that IFRS 18 does not define the term public communications, any further analysis or explanation of the term would go beyond the requirements in IFRS 18.

Conclusion on the application of the requirements

24. Based on our analysis, we think:
- (a) the use of the term ‘investor presentations’ in paragraph B119 of IFRS 18 should not be read to say that all investor presentations are public communications;
 - (b) an entity needs to apply judgement in assessing whether a particular communication such as an investor presentation is a public communication. While IFRS 18 does not define public communications we think there is an adequate basis for an entity to make that judgement. We note for example its systems and processes in place to monitor and control its communications (as highlighted in paragraph BC335 of IFRS 18), common understandings of the term ‘public’ and how an entity applies that term when considering its reference in other IFRS Accounting Standards could help assess whether a particular communication is a public communication.

Question 1 for the Committee

Does the Committee agree with our analysis of the application of the requirements in IFRS 18 summarised in paragraph 24 of this paper?

Is the criterion in paragraph 5.19(b) met?

25. As set out in paragraph 11(b) of this paper, paragraph 5.19(b) of the *Handbook* requires the Committee to assess whether it is necessary to add or change requirements in IFRS Accounting Standards to improve financial reporting—that is, whether the principles and requirements in IFRS Accounting Standards do not provide an adequate basis for an entity to determine the required accounting.
26. Based on our analysis set out in paragraphs 16–23 of this paper and as summarised in paragraph 24, we think the principles and requirements in IFRS 18 provide an adequate basis to assess whether investor presentations provided on a confidential

basis to a restricted group of shareholders or potential investors are public communications for the purpose of identifying an MPM.

27. Accordingly, we conclude that the criterion in paragraph 5.19(b) of the *Handbook* is not met. Therefore, in accordance with paragraph 5.22 of the *Handbook*, a standard-setting project is not needed to address the question submitted.

Staff conclusion and recommendation

28. Based on our assessment of the criteria in paragraph 5.19 of the *Handbook* (summarised in paragraphs 15 and 27) we recommend that the Committee publishes a tentative agenda decision, in accordance with paragraph 8.2 of the *Handbook*, that explains how an entity analyses whether investor presentations provided on a confidential basis to a restricted group of shareholders or potential investors are ‘public communications’ when applying paragraph 117 of IFRS 18.
29. [Appendix A](#) sets out the suggested wording of the tentative agenda decision. In our view, the suggested tentative agenda decision (including the explanatory material contained within it) would not add or change requirements in IFRS Accounting Standards.¹

Questions for the Committee

Questions 2 and 3 for the Committee

1. Does the Committee agree with our conclusion that the criterion in paragraph 5.19(b) of the *Handbook* is not met and, consequently, there is no need for a standard-setting project?
2. Does the Committee have any comments on the wording of the tentative agenda decision suggested in [Appendix A](#)?

¹ Paragraph 8.4 of the *Due Process Handbook* states: ‘Agenda decisions (including any explanatory material contained within them) cannot add or change requirements in IFRS Accounting Standards. Instead, explanatory material explains how the applicable principles and requirements in IFRS Accounting Standards apply to the transaction or fact pattern described in the agenda decision.’

Appendix A—Suggested wording for the tentative agenda decision

Management-defined Performance Measures—Public communications (IFRS 18 *Presentation and Disclosure in Financial Statements*)

The Committee received a request asking whether investor presentations provided on a confidential basis to a restricted group of shareholders or potential investors are public communications for the purposes of identifying a management-defined performance measure.

Fact pattern

The request described a fact pattern in which:

- a. a private entity prepares and shares investor presentations (including investor pitch materials) with a restricted group of shareholders or potential investors. The investor presentations contain performance measures that could otherwise meet the definition of a management-defined performance measure;
- b. the investor presentations are shared under confidentiality agreements which require confidentiality and prevent redistribution of the presentations to other parties; and
- c. the investor presentations are not published online, included in press releases, distributed to analysts, or otherwise made accessible to a broader or undefined external audience.

Applying the requirements in IFRS 18 *Presentation and Disclosure in Financial Statements*

Paragraph 117 of IFRS 18 contains the definition of a management-defined performance measure. Part (a) of the definition states that to be a management-defined performance measure, a subtotal of income and expenses must be used ‘in public communications outside financial statements’.

To help entities assess whether a communication is a public communication, paragraph B119 of IFRS 18 lists particular communications that ‘public communications’ include and

exclude. The Committee observed that the list of communications in paragraph B119 that public communications include (such as investor presentations) is a list of examples of communications that might be public communications. The reference to ‘investor presentations’ in paragraph B119 of IFRS 18 should not be read to say all investor presentations are public communications. The Committee noted that an entity needs to apply judgement in assessing whether a particular communication such as an investor presentation is a public communication.

Conclusion

The Committee concluded that the principles and requirements in IFRS 18 provide an adequate basis for an entity to assess whether investor presentations provided on a confidential basis to a restricted group of shareholders or potential investors are public communications for the purposes of identifying a management-defined performance measure. Consequently, the Committee [decided] that a standard-setting project is not needed to address the request.

Appendix B—Submission

B1. We have reproduced the submission below.

Submission – Scope of “Public Communications” in IFRS 18 in the Context of Confidential Investor Materials

We are grateful for the opportunity to submit a potential agenda item to the IFRS Interpretations Committee (the “Committee”). During implementation of IFRS 18 *Presentation and Disclosure in Financial Statements*, uncertainty has arisen regarding the meaning of ‘public communications’ within the definition of management-defined performance measures (MPMs). We have observed differing interpretations emerging.

Background and fact pattern

Entity A is a privately held group whose shareholders include venture-capital and private-equity firms. As part of ongoing investor relations activities, Entity A prepares:

- **Investor presentations** shared periodically with existing shareholders under the shareholder agreement.
 - These materials contain financial information, KPIs, and management-defined performance measures.
 - The shareholder agreement explicitly requires confidentiality, prohibits redistribution, and limits all disclosures to a restricted group of named shareholders.
- **Investor pitch materials** prepared for potential fundraising rounds.
 - These documents are disclosed only under strict NDAs.
 - They are not made available publicly, nor circulated to the broader investment community.

Entity A does not publish these materials online, include them in press releases, distribute them to analysts, nor otherwise make them accessible to a broader or undefined external audience.

Uncertainty under IFRS 18

IFRS 18 defines management-defined performance measures (MPMs) as subtotals of income and expenses that an entity uses in public communications outside the financial statements (IFRS 18.117(a)). Although IFRS 18.B119 includes investor presentations as an example of such communications, the Standard does not address circumstances in which these materials are shared only on a confidential basis or with a small, identifiable group of investors.

Question:

1. Do investor presentations or pitch materials shared strictly with a small number of identifiable shareholders or potential investors under confidentiality arrangements constitute “public communications” for IFRS 18 purposes?

View A – Confidential investor communications are not public.

Under this view, the term public communications in IFRS 18 is understood to require that information be made available to an unspecified or broad group of external users. Supporters note that IFRS 18.117(a) defines an MPM as a subtotal of income and expenses that an entity “uses in public communications outside the financial statements,” and that IFRS 18.BC334 emphasises that only measures publicly communicated outside the financial statements can be MPMs.

Supporters of this view interpret IFRS 18.B119 as providing examples of the types of communications that are *typically* public, rather than implying that all documents labelled “investor presentations” necessarily meet the definition of public communication.

Based on this reading, information provided exclusively to named shareholders under contractual confidentiality restrictions, or to potential investors under NDAs, is viewed as private communication rather than public communication. Consequently, the use of subtotals in such restricted materials would not give rise to management-defined performance measures under IFRS 18.

View B – Any communication to investors is public.

Under this view, the term public communications in IFRS 18 is interpreted broadly. Supporters note that IFRS 18.B119 includes “investor presentations” explicitly within its examples of public communications, without distinguishing between materials that are widely distributed and those shared only with specific investors. They therefore consider that the Standard intends investor-facing materials, by their nature, to fall within the scope of public communications, regardless of whether they are subject to confidentiality restrictions.

Applying this view, subtotals included in investor presentations or fundraising materials—even when distributed under confidentiality agreements—would give rise to management-defined performance measures and, therefore, trigger the disclosure and reconciliation requirements in IFRS 18.

Reasons for the IFRS Interpretations Committee to Address the Matter

This matter could have a widespread and material effect on private entities, including start-ups and investor-backed groups that routinely provide confidential investor updates while preparing IFRS financial statements. Because IFRS 18 does not address whether confidentiality restrictions exclude a communication from being ‘public,’ divergent interpretations are emerging during implementation. A broad interpretation could oblige private entities to include reconciliations of internally used measures in audited financial statements, increasing operational burden and risking disclosure of commercially sensitive information. Given the prevalence of private-market capital structures, consistent guidance is needed before IFRS 18 becomes effective.

As the matter is narrow in scope and concerns a single definitional point that can be resolved efficiently within the existing framework of IFRS 18, a timely clarification would be highly beneficial in promoting consistent application by preparers.

We thank the Committee for its consideration of this matter.