

# ESMA\_QA\_1880

Status: Answer Published

## **Additional Information**

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### **Level 1 Regulation**

Transparency Directive (TD) Directive 2004/109/EC

### **Level 3 Regulation**

Guidelines on Alternative Performance Measures

### **Topic**

Alternative Performance Measures (APM)

### **Historic Question Reference**

[ESMA32-51-370 APM Q14]

## **Subject Matter**

Application of the scope exemption; Paragraph 19 of the APM Guidelines.

## **Question**

In which circumstances is the scope exemption in paragraph 19 (4th bullet) of the APM Guidelines applicable (i.e. issuers are not required to apply the APM Guidelines when APMs are used to explain the compliance with the terms of an agreement or legislative requirement

such as lending covenants or the basis of calculating the director or executive remuneration)?

## ESMA Answer

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30-10-2017

Original language

*[ESMA32-51-370 APM Q14]*

The exception in paragraph 19 of the APM Guidelines (4<sup>th</sup> bullet) is only applicable when an issuer uses APMs solely to explain compliance with terms of an agreement or legislative requirement. If issuers use simultaneously an APM to explain the compliance of terms of agreement or legislative requirement and to provide information on/describe its performance in a given period, this APM is within the scope of the APM Guidelines.