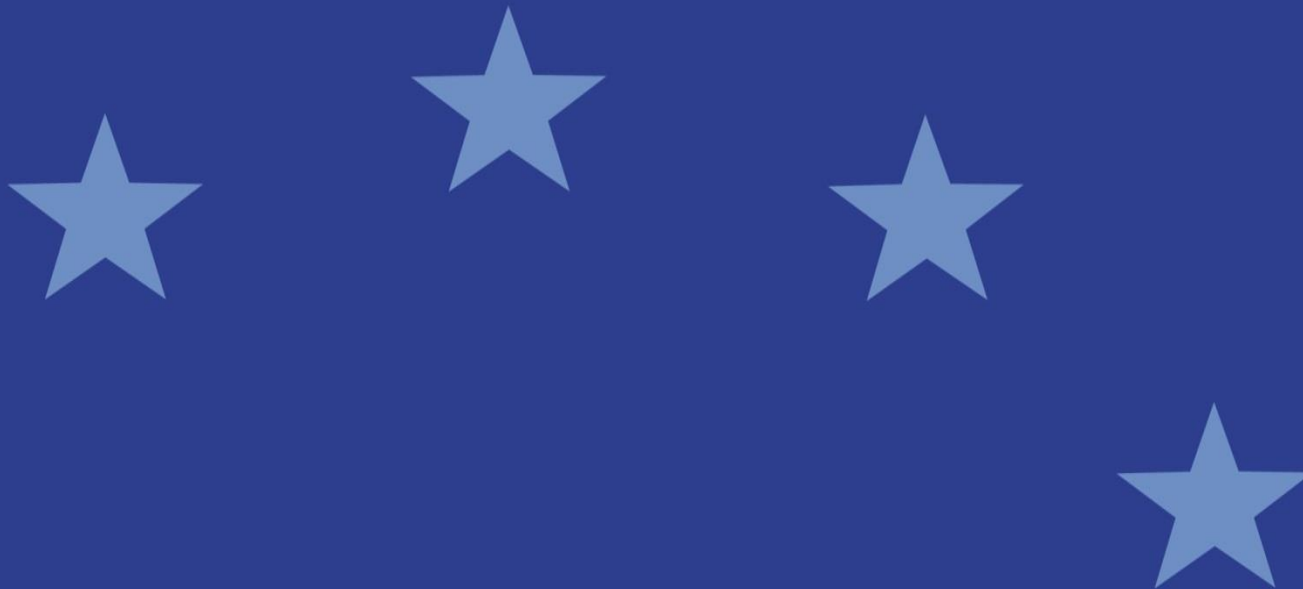


# ESEF reporting manual: block tagging guidance



## Legal framework for marking up of notes

**Article 4. 2.** Issuers shall, as a minimum, **mark up the disclosures specified in Annex II where those disclosures are present** in those IFRS consolidated financial statements.”



**Annex II. 3.** Issuers shall mark up **all disclosures** made in IFRS consolidated financial statements or made by cross-reference therein to other parts of the annual financial reports for financial years beginning on or after 1 January 2022 **that correspond to the elements in Table 2 of this Annex.**”



**Table 2 Mandatory elements of the core taxonomy to be marked up**  
Includes ~ 230 block tags for the Notes  
→ IFRS Taxonomy List of notes and List of accounting policies

## Other articles to bear in mind

**Annex IV. 3.** When marking up disclosures, issuers shall use the core taxonomy element with **the closest accounting meaning** to the disclosure being marked up. Where there appears to be a choice of core taxonomy elements, issuers should select the element with the narrowest accounting meaning and/or scope.

**Recital 10.** With regard to the notes to IFRS consolidated financial statements, a **standard of block tagging** should apply **where whole sections of those notes are each to be marked up using singles taxonomy elements.**

The requirement of block tagging, however, should not limit the discretion of issuers to mark up notes to IFRS consolidated financial statements with a higher level of granularity

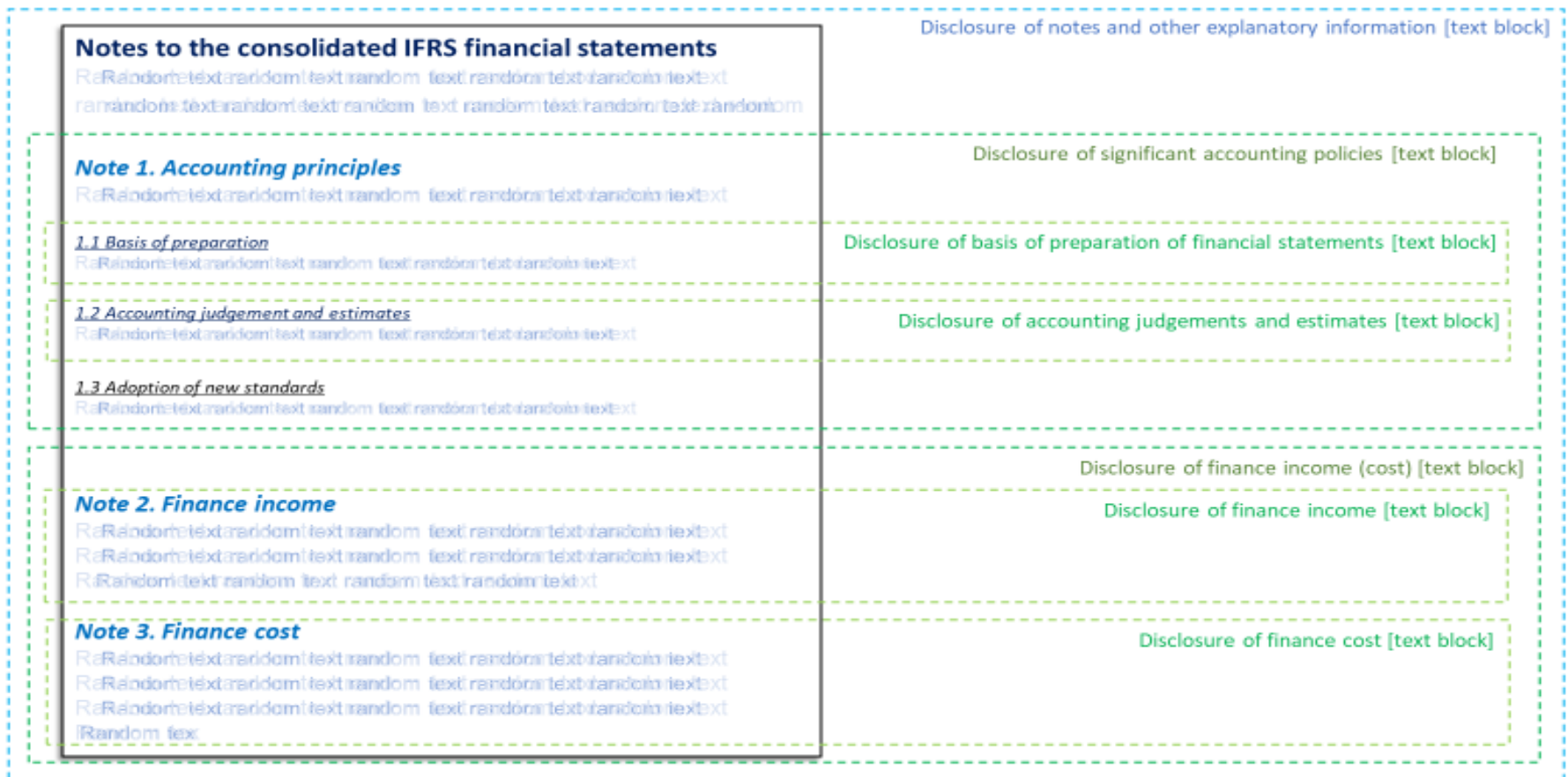


# ESEF Reporting Manual: block tagging principles

- Block tagging requirements applies as from FY 2022.
- The list of elements of Annex II is considered to be mandatory and includes elements of different granularity: wider and narrower elements.
- Disclosures included in the notes of the IFRS consolidated financial statements shall be marked up, as a minimum, with the elements contained in Annex II of the ESEF RTS.
- When selecting the taxonomy element, preparers have to consider the different granularity of the elements and chose the element(s) with the closest accounting meaning.
- The content of the block tag, when displayed outside of the original document, is expected to be human readable, resemble the original one and not alter the meaning of the information

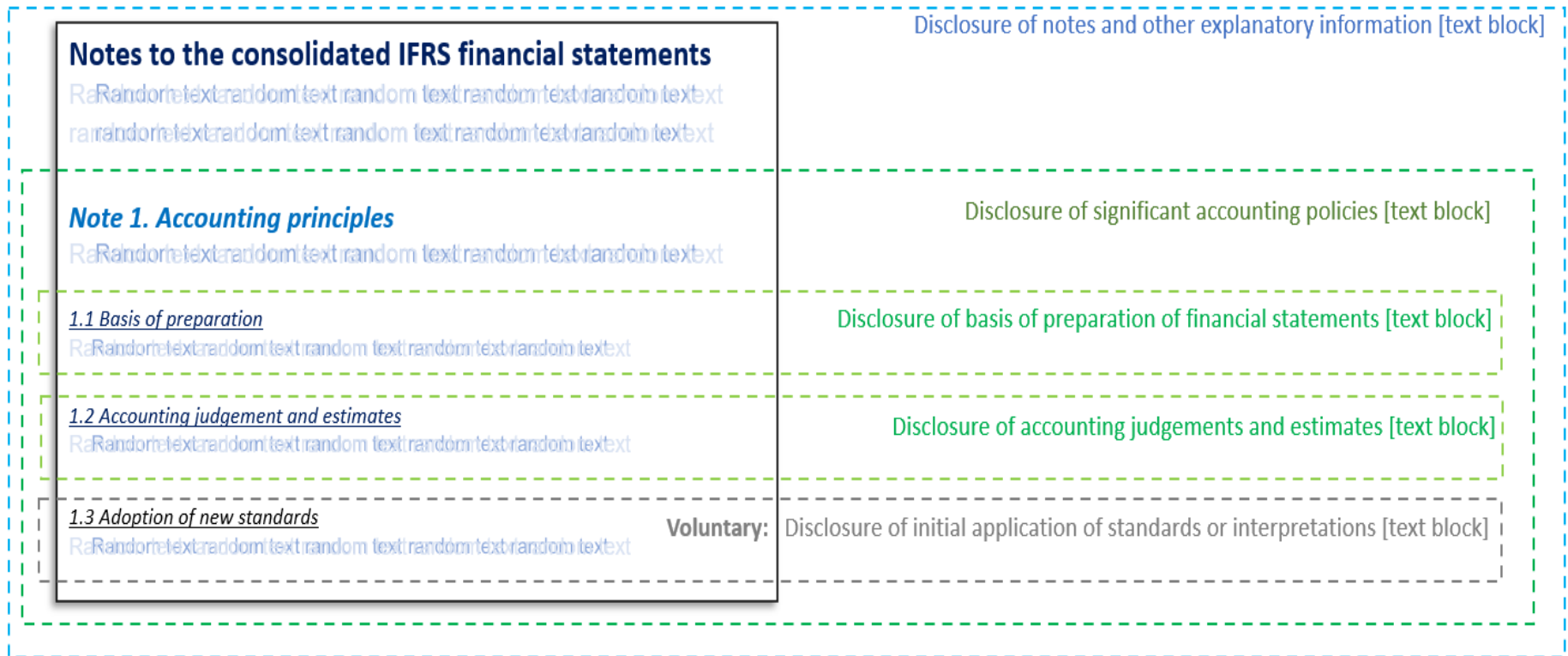
# Level of granularity: multiple tagging

- When disclosures correspond to more than one element of different granularity, preparers should use each of them and multi tag the information to the extent that it corresponds with the underlying accounting meaning.



# Level of granularity: additional tagging

- Prepares can go further and voluntary tag disclosures that do not correspond to any of the elements in Annex II.
- ESMA encourages to apply core taxonomy elements of Annex IV or to create extension elements to block tag such disclosures.



# Level of granularity: tagging tables

- Tables are recommended to be the lowest level of granularity for block tagging.
- Rows or columns are not expected to be tagged. Instead, relevant taxonomy elements should be applied to the entire table.

## Notes to the consolidated IFRS financial statements

Random text random text random text random text random text  
 random text random text random text random text random text

### Note 2. Finance income and cost

In millions EUR	2021	2020
Interest expense	100	100
Other	50	50
Total finance cost	150	150
Interest income	100	100
Other	50	50
Total finance income	150	150

Disclosure of notes and other explanatory information [text block]

Disclosure of finance income (cost) [text block]

Disclosure of finance income [text block]

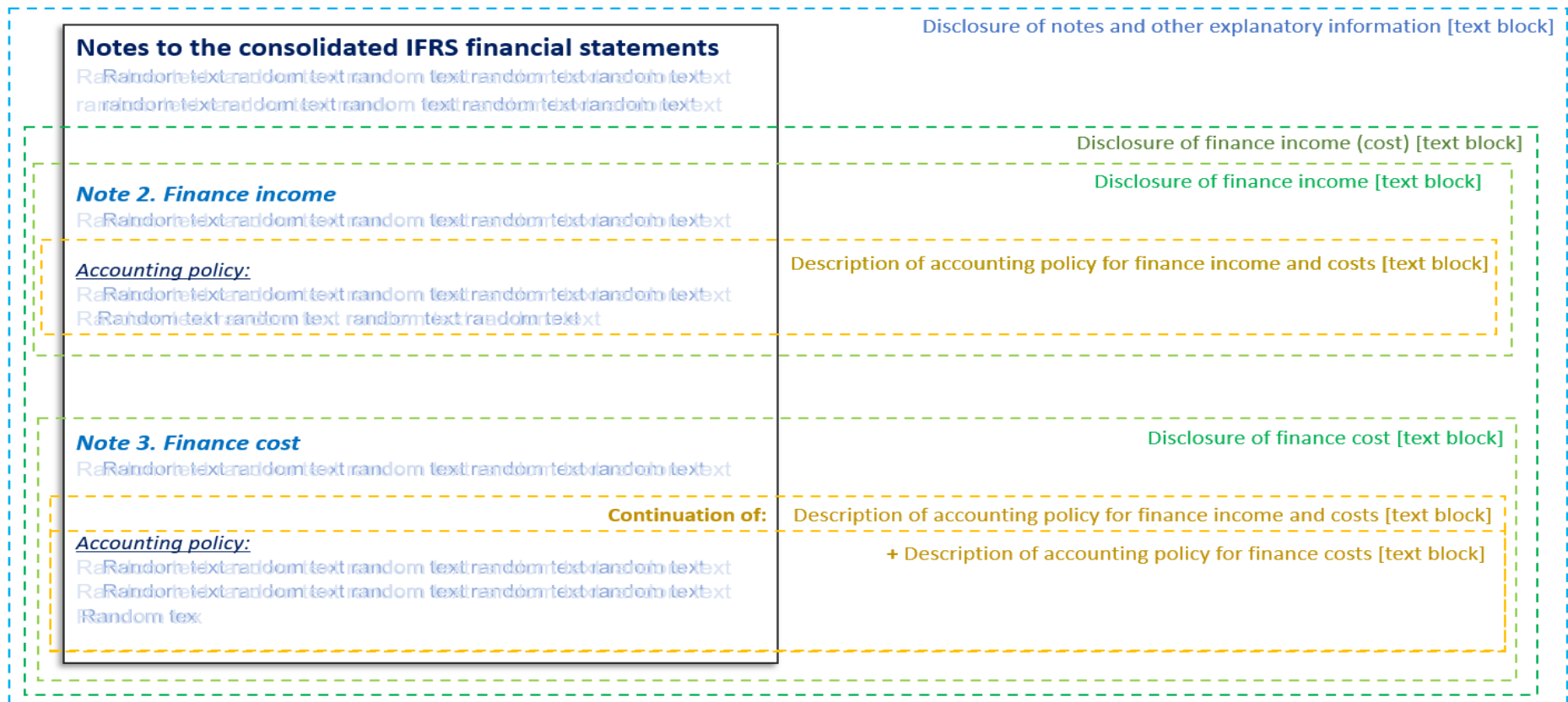
Disclosure of finance cost [text block]

Disclosure of finance cost [text block]

Disclosure of finance income [text block]

# Tagging disclosures in different sections

- When information corresponding to a single block tag is contained in different sections of the notes, the disclosure should be tagged with one block tag using the concatenation or continuation of the information (i.e. use of ix:continuation and ix:exclude mechanisms of iXBRL specifications).







## Block tags: technical construction and rendered information

- ESMA recognises current limitations in the technical construction and transformation mechanics of block tags.
- Based on consultations with XBRL International and Europe, ESMA has provided some recommendations on the technical construction and transformation to ensure better resemblance with the human readable report. ESMA is open to other technical solutions.
- In any case, ESMA expects that the extracted information:
  - ✓ should be human understandable, with words and numbers in the same order and at least, retaining some spaces (i.e. semantic structure)
  - ✓ should resemble the original set of information but does not necessarily maintain the same style
  - ✓ does not alter the sense or meaning of the original information.



# Q&As





European Securities and  
Markets Authority

**Thank you!**

