

ESMA updates its Q&A under the Alternative Performance Measures guidelines

The new questions provide information on:

1. the definition of APMs;
2. the scope of the APM guidelines;
3. application of the scope exemption
4. definition of the APM 'organic growth';
5. how to carry out reconciliation; and
6. how to apply the fair review principle.

An alternative performance measure is a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. The guidelines apply to alternative performance measures disclosed by issuers or persons responsible for drawing up a prospectus (read ESMA's one page [summary](#)).

The purpose of this Q&A is to promote common supervisory approaches and practices in the implementation of these guidelines.