



EFRAG TEG CHAIRMAN and CEO

CALL FOR CANDIDATES EFRAG TEG CHAIRMAN AND CEO

2 August 2018

Dear Madam, Dear Sir,

Appointment EFRAG's Technical Expert Group Chairman and CEO

EFRAG is calling for candidates for EFRAG TEG Chairman and CEO of EFRAG since the mandate of EFRAG's TEG Chairman and CEO, Andrew Watchman, expires on 31 March 2019. Currently the roles are combined and constitute a full-time function. Consideration will also be given to a part-time appointment in particular circumstances.

Nominations of suitable candidates are sought from all financial reporting stakeholder organisations, including EFRAG Member Organisations and National Standard Setters. Individual applications are also welcome. Candidates should have relevant recent professional experience in and originate from one of the EEA¹ countries. A proper overall balance will need to be found for EFRAG TEG in terms of geographical and professional background and gender.

Nominations can be submitted through an EFRAG Member Organisation or National Standard Setter or directly for the attention of the Chairman of the EFRAG Board Nominating Committee, Peter Sampers.

The appointment is expected to commence on 1 April 2019 and will be for a three-year period (i.e. expiring on 31 March 2022), with the option of renewal for a second term. The future EFRAG TEG Chairman is encouraged to participate in EFRAG TEG meetings from the beginning of 2019 once his/her appointment has been made public.

¹ For this call for candidates it should be taken that this excludes UK candidates given the importance of EFRAG bringing the EU position and its role as adviser to the EC.

Role and function

Under the governance structure of EFRAG the EFRAG Board President is the public spokesperson of EFRAG and the EFRAG Board takes decisions on EFRAG positions, after having considered the advice of EFRAG TEG. EFRAG TEG determines technical positions independently and makes recommendations, after having given due consideration to all input received through EFRAG's due process.

The EFRAG TEG Chairman chairs EFRAG TEG and is responsible for directing and managing all EFRAG's technical activities. The EFRAG TEG Chairman is responsible for the support provided to the EFRAG Board and participates in all EFRAG Board meetings. The EFRAG TEG Chairman is expected to represent EFRAG in technical fora and other events, upon delegation by the EFRAG Board President.

The function of EFRAG TEG Chairman is currently combined with the function of CEO of EFRAG. The EFRAG CEO is responsible for all executive responsibilities other than the direction and the management of EFRAG's technical activities, i.e. the day to day administrative management of the organisation (see Appendix A for extracts of the EFRAG Statutes and Internal Rules).

Profile

The following criteria are especially important and will be taken into account in the selection of candidates:

- **Technical competence and leadership:** The EFRAG TEG Chairman should provide leadership to EFRAG's technical activities and therefore count amongst the best technical experts in International Financial Reporting Standards (IFRS) and financial reporting. Reasonable knowledge is expected on corporate reporting developments. Some involvement/experience in the activities of a national standard setter would be a plus. He or she should have recent experience in the practical application of, or be advising on, the use of IFRS. He or she needs to have a strong credibility in the financial reporting community, as well as in the financial supervisory and regulatory community.
- **Understanding of strategic issues in financial reporting and potential financial reporting effects:** The EFRAG TEG Chairman should be able to support the EFRAG Board in determining all its positions including views on the governance and due process of the international standard setting process. The EFRAG TEG Chairman is also expected to assist the EFRAG Board President in the relationship with European institutions and on the international scene. Finally and very importantly, the EFRAG TEG Chairman should ensure that the EFRAG Board has access to the evidence it needs to make all its assessments, whether proposed or published IFRS are conducive to the European public good. He or she should therefore have a good understanding of how financial reporting is used and may affect economic growth and financial stability. He or she should have a good understanding of the European and global economic environment. Specific competences to support EFRAG's impact analyses, including organising and monitoring field tests, would provide added value.
- **Commitment to act in the European public interest and firm commitment to EFRAG's mission:** the EFRAG TEG Chairman should be committed to the objective of Europe speaking with one voice and EFRAG serving the European

public interest. He or she should be ready to proactively support EFRAG's objectives and main functions as set out in the EFRAG Statutes and the Internal Rules and demonstrate a willingness to communicate and represent these missions to the outside world.

- **Experience:** The EFRAG TEG Chairman will offer a broad general knowledge of IFRS Standards and their application. The EFRAG TEG Chairman should be an active practitioner, or demonstrate relevant practical experience from the past, if immediate past experience has been in standard-setting. He or she should be capable of developing new thinking on accounting and financial reporting concepts and applications as well as on corporate reporting. He or she should have a good understanding of the work of national standards setting and/or regulatory bodies with an interest in financial reporting in his or her country. This experience must have been acquired at a relevant and senior level of responsibility (for example Partner in an accounting firm or Chief Accounting Officer in a listed corporation or financial institution).

The candidate should have a proven record of the ability to conduct daily management including the administration, financial reporting and governance of an organisation.

- **Communication skills:** The EFRAG TEG Chairman should possess excellent oral and written communication and representation skills to represent EFRAG in technical fora and assume speaking engagements upon delegation of the EFRAG Board President. Communication skills also include the ability to listen to and consider the views of others, so as to assist the EFRAG Board President in the search for consensus in the EFRAG Board. The EFRAG TEG Chairman will also be expected to lead EFRAG's high level technical discussions and to promote various initiatives connected with EFRAG. The EFRAG TEG Chairman should be fluent in English.
- **Management and leadership skills:** The EFRAG TEG Chairman should have a proven ability to lead complex projects and to direct and monitor collective work. He or she should have strong management skills and be able to stimulate team spirit and collegial atmosphere in a group of senior professionals. He or she should be an inspiring leader for the EFRAG Secretariat and others interacting with him or her.

The EFRAG TEG Chairman and CEO position is expected to be full time (although consideration will also be given to a part-time appointment in particular circumstances) and will be remunerated at a level which is commensurate with the responsibilities and complexities of this position.

Further information about EFRAG can be found on the EFRAG website: www.efrag.org. In particular, the EFRAG Annual Review 2017 and recent EFRAG publications may be of interest. It is anticipated that candidates have reviewed the content of our website.

Submissions, setting out the name and CV of a proposed candidate, should be sent, preferably by 8 October 2018, by email to EFRAG for the attention of the Chairman of the EFRAG Board Nominating Committee, Peter Sampers, using nominations@efrag.org as email address. With the objective to streamline the contents of the CVs of applicants, we enclose a standard CV format (appendix B) for use or to ensure that the elements mentioned therein are at least covered. **The interviews will take place on Friday 19 October 2018 (preferred day) and Wednesday 7 November 2018 (fall back date) in the EFRAG offices in Brussels.** All candidates will be informed about their appointment or outcome of their application within one month after the EFRAG Board made the decision.

Yours sincerely,



Jean-Paul Gauzès

EFRAG Board President



APPENDIX A

EXTRACTS FROM THE EFRAG STATUTES AND INTERNAL RULES

The EFRAG Statutes and Internal Rules can be found on the EFRAG website:
<http://www.efrag.org/About/Legal>

EFRAG STATUTES

7.4. *The President of the Board*

The main responsibilities of the President of the Board include, beyond the chairmanship of the Board and of the General Assembly, being the public spokesperson of the Association. The remaining responsibilities and the delegation of the responsibilities are described in the Internal Rules.

7.5. *The Vice-President of the Board*

The Vice-President of the Board is replacing the President of the Board when the President of the Board is absent or is not able to exercise his function for a certain limited period. The Vice-President acts only by delegation of the President, notwithstanding the provisions of Article 7.2.2 e).

7.6. *The Chief Executive Officer*

7.6.1. The Board appoints the Chief Executive Officer who will be responsible for the day-to-day management of the Association.

7.6.2. The Chief Executive Officer has the following tasks:

- a) To be responsible for the day-to-day management of the Association;
- b) To prepare the budget and the annual accounts;
- c) To coordinate the decision-making process on staff recruitment or dismissal and the level of remuneration of all staff in accordance with the remuneration policy. The relevant and related committee of the Board as specified in the Internal Rules shall address the remuneration package for the management team;
- d) To acquire or dispose of capital goods within the limits of the approved budget;
- e) To take any financial and administrative management decisions necessary to provide adequate support to the President of the Board, the activities of the Board listed in Article 7.3.4, the Technical Expert Group and other Committees, Task Forces, Working Groups and Advisory Panels.

The function of the Technical Expert Group Chairman and the function of Chief Executive Officer can be carried out by the same person, in which case the responsibilities are combined.

7.6.3. The administrative office including all staff of the Association, except for staff who operate under the direction of the President of the Board operate under the direction of the Chief Executive Officer.

EFRAG INTERNAL RULES

Article 10 Role of the President of the EFRAG Board

1. The President of the EFRAG Board acts in cooperation with the EFRAG Board members and reports to them issues in his remit. All EFRAG Board members are accountable to the EFRAG General Assembly.
2. The President of the EFRAG Board convenes and chairs meetings of the EFRAG General Assembly and its Nominating Committee (EFRAG GA NC), the EFRAG Board, the EFRAG Remuneration Committee and the EFRAG Nominating Committee (for EFRAG TEG).
3. The President of the EFRAG Board's main duty is to ensure that the EFRAG Board operates by consensus to the maximum extent feasible, so as to exercise influence on behalf of Europe in the development of IFRS in a timely fashion.
4. The President of the EFRAG Board is the public spokesman of EFRAG and is responsible for the communication on behalf of EFRAG on all matters. He can allow other members of the EFRAG Board and the EFRAG TEG Chairman to speak on behalf of EFRAG. Delegation to the EFRAG TEG Chairman may also relate to the representation of EFRAG in technical fora.

Article 24 Convocation and agenda of meetings

1. EFRAG TEG is expected to have at least ten (10) physical meetings every year lasting for an average of three (3) days as determined by the EFRAG TEG Chairman. In addition, the EFRAG TEG Chairman may call extraordinary meetings including conference calls using other technical means such as video conferencing or the internet.
2. EFRAG TEG's meetings are held in accordance with an annually fixed schedule. The meetings are scheduled no later than 1 September for the following calendar year. Members confirm their attendance or apologies at least three (3) working days before each meeting.

Article 25 EFRAG TEG Chairman – Secretariat – Minutes

1. The EFRAG TEG Chairman convenes and chairs the meetings. He ensures that EFRAG TEG benefits from the input of specialised Working Groups (Article 28) where needed. He is responsible for chairing the technical sessions of the EFRAG Consultative Forum of Standard Setters. He is responsible for the management of all EFRAG's technical activities, including leading field work as determined by the EFRAG Board. He can represent and communicate generally on behalf of EFRAG on technical matters under the delegation of the President of the EFRAG Board. In those circumstances the views presented will be those of EFRAG's Board if such views have been formed.

2. The secretariat of EFRAG TEG is managed by the Chief Executive Officer.
3. Minutes of EFRAG TEG meetings are prepared by the EFRAG staff and are presented to EFRAG TEG for approval. A summary is published on the website.

Article 32 Chief Executive Officer

1. According to Article 7.6.3 of the EFRAG Statutes “The administrative office including all EFRAG staff, except for the member(s) of staff who operate(s) under the direction of the President of the EFRAG Board, operates under the direction of the Chief Executive Officer”.
2. The Chief Executive Officer can be the Chair of EFRAG TEG or another person with responsibility for the staff, resources and administration.

Article 33 Budget

1. The budget is prepared by the Chief Executive Officer. The proposal is reviewed by the EFRAG Audit and Budget Committee of the EFRAG Board and submitted to the EFRAG Board for provisional approval for subsequent submission to the EFRAG General Assembly for final approval. The EFRAG General Assembly approves the budget for the following year. The budget document includes forecasts of revenues and expenses for the next year. It may include contributions in kind provided by various stakeholders.
2. Only the EFRAG General Assembly has the power to decide on the contributions to be recovered from the member organisations.
3. The EFRAG Audit and Budget Committee of the EFRAG Board monitors the expenditures within the limits authorised by the EFRAG General Assembly and reports to the EFRAG Board on its findings.

Article 34 Supervision and approval of expenses

Subject to their approval in the budget, the following can be paid from the funds of the Association:

- a) The reasonable expenses incurred by the President of the EFRAG Board, the EFRAG TEG Chairman and the Chief Executive Officer in the exercise of their functions.
- b) As authorised by the Chief Executive Officer, the reasonable expenses of staff members in the exercise of their functions, in particular when travelling for EFRAG.
- c) The travel expenses and compensation of EFRAG Board members if so decided by the EFRAG General Assembly in the compensation and travel policy (Article 7.8).

Article 35 Financial Statements

Financial statements are prepared by the Chief Executive Officer. The financial statements are reviewed by the EFRAG Audit and Budget Committee of the EFRAG Board and approved provisionally by the EFRAG Board within four (4) months after the reporting date. They are submitted for final approval to the next EFRAG General Assembly (Article 8.3 of the EFRAG Statutes).

APPENDIX B

EXPECTED CONTENTS TO BE ADDRESSED IN CVS OF APPLICANTS FOR EFRAG TEG² CHAIRMAN AND CEO

Personal information

First Name:

Last Name:

Nationality:

Date of birth:

Male/Female:

Employer (if any):

Country of professional life:

Languages (express on scale 1(basic) through 5 (very good) how well developed)

English language:

German language:

French language:

Other languages:

Familiarity with EFRAG meetings and events

Attendance of public EFRAG TEG meetings

Participation in other EFRAG meetings or events

Monitoring of IASB work plan and ongoing projects

Financial and corporate reporting interest

Description of added value you can bring as EFRAG TEG Chairman:

Experience with IFRS (both in theory and in practical application):

Specialist knowledge of IFRS (for example financial instruments, banking, insurance accounting, etc):

Ability to provide independent views on financial reporting issues and corporate reporting issues:

Relation with National Standard Setter or any other authority in the IFRS domain:

Involvement of/through your professional organisation:

Involvement in the European and international financial reporting scene:

Knowledge and or involvement of developments of corporate reporting:

Publications:

Management capabilities

Experience with managing a team

Experience management of an organisation and other CEO responsibilities

Professional career

Current function and description of function:

Professional career (please describe from present function to earlier entrance into professional life):

Membership of professional organisation(s):

Other relevant experience:

² Applicants are free to use this standard CV format or to use their own CV ensuring that at least the issues listed in the expected contents format are addressed.

Support of candidature

EFRAG TEG Chairman and CEO candidature is supported by the following organisations/company (to the extent applicable):