



PRESS RELEASE

NEXT MILESTONE FOR EFRAG GOVERNANCE REFORM

EFRAG welcomes its new Sustainability Reporting Board

EFRAG is glad to report on the progress of its governance reform heading to the target date of 31 March 2022:

- EFRAG announces the composition of its Sustainability Reporting Board
- EFRAG welcomes General Electric (GE) as Friends of EFRAG – Sustainability Reporting
- EFRAG announces the next steps to complete its governance reform by the target date of the end of March.

Brussels 10 March 2022: The EFRAG General Assembly has appointed the members of the [EFRAG Sustainability Reporting Board](#) and admitted [GE](#) as Friend of EFRAG – Sustainability Reporting. EFRAG is pleased to inform on the next steps to complete its governance reform to integrate the sustainability reporting pillar in EFRAG's structure by the target date of the end of March.

In April 2021, the European Commission adopted a [legislative proposal for a Corporate Sustainability Reporting Directive \(CSRD\)](#) which would require companies within its scope to report in compliance with European Sustainability Reporting Standards adopted by the European Commission as delegated acts. Under the proposed CSRD, EFRAG would be the technical advisor to the European Commission developing draft *EU Sustainability Reporting Standards*. At the [request of the European Commission](#) and in parallel to the elaboration and adoption of the legislative proposal, EFRAG has already carried out extensive work on key changes to its governance and funding and on standard-setting matters related to sustainability reporting. The changes are based on the recommendations made by Jean-Paul Gauzès in his report [Potential need for changes to the governance and funding of EFRAG](#) which were fully supported by Commissioner McGuinness in [a letter dated 12 May 2021](#).



EFRAG Sustainability Reporting Board

In its meeting of 1 March 2022, the EFRAG General Assembly appointed the members of the [EFRAG Sustainability Reporting Board](#) representing the three Chapters: European Stakeholders Chapter, National Organisations Chapter (countries) and Civil Society Organisations Chapter. Only EFRAG Member Organisations¹ could nominate candidates for the EFRAG Sustainability Reporting Board. The Chair is nominated by the European Commission having heard the views of the European Parliament and Council. This process is ongoing, and the Chair and Vice-Chair will be appointed by the EFRAG General Assembly at a later stage.

The EFRAG Sustainability Reporting Board is responsible for all sustainability reporting positions of EFRAG including technical advice to the EC on draft EU Sustainability Reporting Standards and amendments to the Standards. The due process includes considering the technical advice provided by EFRAG Sustainability Reporting TEG. The EFRAG Sustainability Reporting Board and EFRAG Sustainability Reporting TEG operate based on an open and transparent due process including a public consultation process with European constituents as laid down in the Due Process Procedures for EU Sustainability Standard Setting. All of EFRAG's draft and final sustainability reporting due process documents are issued under the EFRAG Sustainability Reporting Board's authority. The EFRAG Sustainability Reporting Board together with the EFRAG Financial Reporting Board also ensures connectivity between financial reporting and sustainability reporting.

The composition of the EFRAG Sustainability Reporting Board is as follows:

EFRAG Sustainability Reporting Board

Chair (to be appointed by the EFRAG General Assembly following the nomination by the European Commission after having heard the European Parliament and the Council).

European Stakeholders Chapter

- Business General: Stefan Schnell (German)
- Business Listed: Luc Vansteenkiste (Belgian)
- Business SMEs/SMPs: Salvador Marin (Spanish)
- Banking: Annina Tanhuanpää (Finnish)
- Insurance: Grégoire de Montchalin (French)
- Asset managers: Tegwen Le Berthe (French)
- Accountancy Europe: Wim Bartels (Dutch)
- Users: Manuel José Puerta da Costa (Portuguese)

National Organisations Chapter

- France: Patrick de Cambourg
- Germany: Kerstin Lopatta

¹ Organisations can join the membership of EFRAG at any stage, and it is hoped that further organisations will be joining to enable a broader representation of all relevant sustainability reporting stakeholders.



- Italy: Marcello Bianchi
- Spain: Carlos Moreno
- Austria: Monika Brom
- Denmark: Kristian Koktvedgaard
- Netherlands: Simon Braaksma
- Sweden: Charlotte Söderlund

Civil Society Organisations Chapter

- NGOs: Filip Gregor (Czech)
- NGOs: David Vermijs (Dutch)
- Consumer Organisations: Aleksandra Palinska (Polish)
- Trade Unions: Isabelle Schömann (French)
- Academics: Begoña Giner (Spanish)

The European public institutions, authorities and agencies - ESMA, EBA, EIOPA, EEA, FRA, EC Platform Sustainable Finance, CEAOB and ECB are observers on the EFRAG Sustainability Reporting Board.

Friends of EFRAG

EFRAG introduced the [Friends of EFRAG - Sustainability Reporting](#) whereby entities can give their individual support to EFRAG's mission and support EFRAG's sustainability reporting activities. EFRAG is pleased to announce that [General Electric](#) has joined the pioneers in the Friends of EFRAG - Sustainability Reporting. Other entities are very welcome to follow suit.

Next steps to complete the governance reform

EFRAG intends to complete the governance reform by the target date by the end of the month of March²:

- Publication of the final due process procedures on EU Sustainability Reporting Standard Setting and the related feedback statement
- Appointment of EFRAG Sustainability Reporting TEG
- EFRAG is [recruiting](#) technical staff (secondments in kind and compensated positions) to support the sustainability reporting standard-setting work.

EFRAG Board President Jean Paul Gauzès, commented on the new composition:

"I am very pleased that within three weeks we are able to announce further steps that will allow to meet my target date of 31 March 2022.

I am delighted to welcome the members of the EFRAG Sustainability Reporting Board. With their wide range of expertise and experience they represent collectively the full range of ESG. I am confident that they are equipped for the important role of deciding on the draft EU Sustainability Reporting Standards for submission, as technical advice, to the European Commission and subsequently to be adopted by the European Commission by delegated acts.

² As indicated the Chair of the EFRAG Sustainability Reporting Board will be appointed following the nomination by the European Commission, a process that is expected to be finalised before the summer.



It is also with great pleasure that I welcome GE as another pioneer in the Friends of EFRAG-Sustainability Reporting. I invite other companies and organisations to join and support EFRAG in its sustainability reporting mission and activities.”

- ENDS -



Notes for editor:

1. Contact details:

For more information about EFRAG please contact: EFRAG, 35 Square de Meeûs, B-1000 Brussels. Tel: +32 (0)2 207 93 00; info@efrag.org

2. About EFRAG (www.efrag.org)

EFRAG's mission is to serve the European public interest in both financial reporting and sustainability reporting by developing and promoting European views in the field of corporate reporting and by developing draft EU Sustainability Reporting Standards.

In its financial reporting activities, EFRAG ensures that European views are properly considered in the IASB's standard-setting process and in related international debates. EFRAG ultimately provides advice to the European Commission on whether newly issued or revised IFRS Standards meet the criteria of the IAS Regulation for endorsement for use in the EU, including whether endorsement would be conducive to the European public good.

In its sustainability reporting activities, EFRAG provides technical advice to the European Commission in the form of draft EU Sustainability Reporting Standards that are accompanied by basis for conclusions and cost benefit analysis including impact analysis.

EFRAG seeks input from all stakeholders, and obtains evidence about specific European circumstances, throughout the standard-setting process. Its legitimacy is built on transparency, governance, due process (which may include field tests, impact analyses and outreaches), public accountability and thought leadership. This enables EFRAG to speak convincingly, clearly and consistently, and be recognised as the European voice in corporate reporting.

EFRAG is operating in a fast-evolving environment. It is attentive to the need to adapt its activities to meet new opportunities and challenges in corporate reporting.



3. EFRAG membership Sustainability Reporting Pillar

- **European Stakeholders Organisations Chapter**
 - **Business- general:** BusinessEurope
 - **Business- listed companies:** EuropeanIssuers
 - **Business-SMEs/SMPs:** EFAA
 - **Asset Management:** EFAMA
 - **Banking:** EACB, EBF, ESBG
 - **Insurance:** Insurance Europe
 - **Accountancy Profession:** Accountancy Europe
 - **Users:** EFFAS and Eurosif

- **National Organisations Chapter (countries)**
 - **Austria:** Austrian Group of Standard Setters
 - **Denmark:** Group of five Danish Organisations
 - **France:** Autorité des Normes comptables (ANC)
 - **Germany:** Accounting Standards Committee of Germany (ASCG)
 - **Italy:** Organismo Italiano di Contabilità (OIC)
 - **Luxembourg:** Commission des Normes comptables (CNC)
 - **Netherlands:** Dutch Accounting Standards Board (DASB)
 - **Spain:** Instituto de Contabilidad y Auditoria de Cuentas (ICAC)
 - **Sweden:** The Association for Generally Accepted Principles in the Securities Market

- **Civil Society Organisations Chapter**
 - **NGOs:** The Climate Finance Fund of the European Climate Foundation; Economy for the Common Good; Environmental Defense Fund Europe; Frank Bold Society; Publish What You Pay; Transport & Environment; and World Wide Fund for Nature
 - **Consumer Organisations:** BETTER FINANCE and Finance Watch
 - **Trade unions:** European Trade Union Confederation (ETUC)
 - **Academics:** European Accounting Association

4. Friends of EFRAG – Sustainability Reporting

- [Angela Impact Economy](#)



- [ENGIE](#)



- [General Electric](#)



