



## EFRAG SUSTAINABILITY REPORTING BOARD

# CALL FOR CANDIDATES FOR THE EFRAG SUSTAINABILITY REPORTING BOARD

**Deadline 10 February 2022**

26 January 2022

Dear Madam, Dear Sir,

### **Nominations for the EFRAG Sustainability Reporting Board**

#### ***Background***

On 21 April 2021, the European Commission (EC) 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 EC as delegated acts. Under the proposed CSRD, EFRAG would be the technical advisor to the EC to develop draft European Sustainability Reporting Standards and to conduct impact analyses. EFRAG will operate based on an open and transparent due process, including public consultations with relevant stakeholders.

At the [request of the EC](#) and in parallel to the development and adoption of the legislative proposal, EFRAG has already carried out extensive work on key changes to its governance and funding as well as on standard-setting matters related to sustainability reporting. This was based on the recommendations 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](#).

At the EFRAG General Assembly held on 21 January 2022, the revised EFRAG Statutes and Internal Rules were approved which form the legal basis for EFRAG's new governance structure. This includes a sustainability reporting pillar alongside the financial reporting pillar, mirroring its governance.

At its December 2021 and January 2022 General Assembly meetings, EFRAG admitted to membership in the sustainability reporting pillar thirteen new organisations (two in the European Stakeholders Organisations Chapter and 11 in the Civil Society Organisations Chapter - see [press release](#)). We expect that further organisations will join the EFRAG membership in the coming weeks and months. Admission to the membership of EFRAG can take place at future EFRAG General Assembly meetings (meetings are scheduled for 15 February as well as 1 and 15 March 2022).

The target date for full implementation of the new EFRAG structure is 31 March 2022. Around this date the project work on the development of draft EU Sustainability Reporting Standards conducted by the EFRAG Project Task Force on European Sustainability Reporting Standards (PTF-ESRS) will



be handed over to the permanent structure (EFRAG Sustainability Reporting Board and the EFRAG Sustainability Reporting TEG) in transition process to be agreed upon.

The EFRAG Sustainability Reporting Board will be responsible for all sustainability reporting positions of EFRAG including technical advice to the EC on draft EU Sustainability Reporting Standards and amendments to 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<sup>1</sup>.

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.

### ***EFRAG Sustainability Reporting Board members***

Only EFRAG Member Organisations that contribute to the funding of the EFRAG sustainability reporting pillar can nominate candidates for the EFRAG Sustainability Reporting Board<sup>2,3</sup>. Individuals interested in joining the EFRAG Sustainability Reporting Board should contact the EFRAG Member Organisation(s) that represents their interests (see names of the organisations in the [25 January press release](#)).

### New member organisations

Organisations (European Stakeholder Organisations, National Organisations (countries) and Civil Society Organisations) joining EFRAG as a Member Organisation would be entitled to nominate candidate(s) for an EFRAG Sustainability Reporting Board seat if they are admitted as EFRAG Member Organisation by the EFRAG General Assembly before or in the same meeting in which the EFRAG Sustainability Reporting Board is appointed by the EFRAG General Assembly.

### Supporting the nomination and selection process

The nomination and selection process are supported and coordinated by the EFRAG Administrative Board and its Nominating Committee.

## **Call for candidates**

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<sup>1</sup> EFRAG launched in June 2021 a [public consultation](#) on proposed Due Process Procedures (DPP) for its the sustainability pillar with a deadline of 15 September. A [summary report](#) of the main comments received from the public consultation was published in November. The EFRAG Administrative Board supported by its Due Process Committee will finalise the DPP for recommendation for approval to the EFRAG General Assembly in its meeting of 15 March 2022.

<sup>2</sup> The EC has issued a call for applications of the Chair of the EFRAG Sustainability Reporting Board on 13 December with a deadline of 1 February. The EC nominates the Chair of the EFRAG Sustainability Reporting Board after consultation with the European Parliament and the Council.

<sup>3</sup> Art 22.3 of the EFRAG Internal Rules



The EFRAG Administrative Board is launching a call for candidates for the EFRAG Sustainability Reporting Board. **Candidates have to be nominated by EFRAG Member Organisations** (European Stakeholder Organisations, National Organisations (countries)/ National Standard Setters and Civil Society Organisations – hereafter ‘the nominating organisations’).

European Stakeholder Organisations and Civil Society Organisations, in the specific sectors within each of the Chapters, nominate candidates for seats in the EFRAG Sustainability Reporting Board for that specific sector. They nominate, if possible, more than one candidate with a different nationality.

In determining the composition of the EFRAG Sustainability Reporting Board, a high priority will be given to achieving a broad geographical spread and proper balance in gender and professional background. In order to promote a broad geographical spread no more than three EFRAG Sustainability Reporting Board members can come from the same country<sup>4</sup>.

Appointments will commence on 1 March 2022 and will be for three years, renewable once.

### **Profile**

EFRAG Sustainability Reporting Board members should be high-level persons with strong and recognised standing, competent and qualified within their professional or business background and should be knowledgeable. They should also have a good understanding of corporate reporting, the subject matters and its implications in particular, how it is used and how it may affect economic growth and financial stability.

They should exercise, or have exercised within the recent past, responsibilities to understand the interactions of corporate reporting with economic growth and financial stability. A general understanding of the work of European and national regulatory and oversight bodies as well as of the IFRS Foundation as well as other relevant global and regional standard setters and initiatives would be an advantage.

EFRAG Sustainability Reporting Board members must uphold the highest standards of integrity, objectivity and discipline, act in the European public interest and must be able to work with another in reaching consensus.

The EFRAG Sustainability Reporting Board works in a collegial atmosphere. The working language is English.

EFRAG Sustainability Reporting Board members must have sufficient time to attend and prepare for EFRAG Sustainability Reporting Board meetings (at least 10 one-day meetings or webcast meetings a year). Additional in-between webcast meetings dedicated to specific topics may be organised if needed.

Only candidates with a European Economic Area (EEA) nationality can apply.

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<sup>4</sup> Art 22.2 of the EFRAG Internal Rules



Appendix B lists the commitments of the EFRAG Sustainability Reporting Board members and describes the role of the EFRAG Sustainability Reporting Board.

EFRAG Sustainability Reporting Board members will receive **no** remuneration from EFRAG for their duties and are expected to bear their own expenses including travel and hotel costs.

It would be helpful if the candidates for the EFRAG Sustainability Reporting Board could indicate in their CVs or application letters the following:

- how they meet the requested profile;
- their familiarity with EFRAG and (European) sustainability reporting interests and the implications for economic growth and financial stability;
- a description of their experience with standard setting and their current involvement in the European and international corporate reporting scene.

Further information about EFRAG can be found on the [EFRAG website](#). In particular, the [EFRAG Annual Review](#) may be of interest.

### **Nominations**

Nominating organisations should provide the nominations for membership of the EFRAG Sustainability Reporting Board at the latest by **[10 February 2022](#)** for the attention of Jean-Paul Gauzès, EFRAG Administrative Board President at the following address: [nominations@efrag.org](mailto:nominations@efrag.org).

Nominations should at minimum include an application letter and CV. With the objective to streamline the contents of the CVs of applicants, we enclose a standard CV format (Appendix A) for use or to ensure that the elements mentioned therein are at least covered.

Candidates may be requested to attend an interview with a delegation of the EFRAG Administrative Board Nominating Committee as part of the selection process. These interviews will take place online in the middle of February 2022.

We are looking forward to receiving the candidatures from the nominating organisations.

Yours sincerely,

**Jean-Paul Gauzès**  
*EFRAG Administrative Board President*





## APPENDIX A

### Expected contents to be addressed in CVs of applicants for EFRAG Sustainability Reporting Board Membership<sup>5</sup>

#### ***Personal information***

First Name:

Last Name:

Nationality:

Date of birth:

Gender:

Employer (if any):

Country of professional life:

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

English language:

Other languages:

#### ***Familiarity with EFRAG***

#### ***Sustainability reporting interest***

Description of added value you can bring as EFRAG Sustainability Reporting Board member:

- Experience with sustainability reporting standards and standard setting:
- Experience with interconnectivity between financial reporting and sustainability reporting:
- Relation with National Standard Setter or any other authority in the sustainability reporting domain:
- Involvement in the European and international sustainability reporting scene:
- Publications:

#### ***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:

#### ***Support of candidature***

EFRAG Sustainability Reporting Board candidature is supported by the following organisations/company (to the extent applicable):

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<sup>5</sup> 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.



## APPENDIX B – Extracts from EFRAG’s Internal Rules

*This appendix presents relevant extracts from the EFRAG Internal Rules describing the working rules of the Technical Expert Groups. EFRAG’s revised Statutes and Internal Rules have been approved by the EFRAG General Assembly at its meeting on 21 January 2022. The final text may be subject to minor formatting or English review edits.*

### ARTICLE 25.1 OF THE EFRAG INTERNAL RULES

#### COMMITMENTS OF EFRAG REPORTING BOARD MEMBERS

All EFRAG Reporting Boards’ members are required to commit themselves formally to acting in the European public interest in all matters in their EFRAG Reporting Board member role, irrespective of the fact that they represent particular private or national interests. All members are also required to formally commit to:

- a) work in the context of the European corporate reporting regulations and make their best endeavours to help these regulations best serve the European public interest;
- b) serve the objective of making decisions within the EFRAG Reporting Board by consensus;
- c) EFRAG Financial Reporting Board members: deliver EFRAG positions in a timely manner thereby respecting EFRAG’s due process, to allow EFRAG to influence the IASB’s standard setting process in the most effective and efficient way and to submit endorsement advice in a timely manner on final standards and interpretations following a request of the European Commission;
- d) EFRAG Sustainability Reporting Board members: deliver EFRAG positions including setting the work plan and approving technical advice in the form of draft EU sustainability reporting standard submitted to the European Commission in the most effective and efficient way and develop non-binding guidance documents or other material to support the implementation of the EU sustainability reporting standards
- e) provide the rationale for their positions, so that EFRAG can be fully accountable to its stakeholders and European institutions;
- f) commit to EFRAG’s due process including the public consultation process with European constituents; and
- g) exercise their judgement in their own right. They should have the mandate and confidence of the organisation by which they are nominated to contribute to the discussions and to the development of consensus-based European positions from a European public interest perspective.

### ARTICLE 30 OF THE EFRAG INTERNAL RULES

#### RESPONSIBILITIES OF EFRAG SRB

1. The EFRAG SRB has the following responsibilities:



- a) To be responsible for all sustainability reporting positions of EFRAG including technical advice on draft EU Sustainability Reporting Standards and amendments to Standards to the European Commission, after having considered the technical advice provided by EFRAG SR TEG and reflecting the results of EFRAG's due process and
  - b) To apply 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 .
  - c) To appoint the members and the Vice-Chair of the EFRAG SR TEG (having completed the nomination process described in Article 37) .
  - d) To ensure connectivity between financial reporting and sustainability reporting.
2. In order to fulfil these tasks, the EFRAG SRB is more specifically responsible:
- a) To define the sustainability reporting standard setting workplan
  - b) To consider the strategic direction of EFRAG taking into account the priorities defined by the European Commission in respect of developments at international level including the IFRS Foundation ISSB, and other relevant global initiatives; and the strategic considerations of the Discussion Forum sessions of the EFRAG General Assembly (Art 5);
  - c) To provide directions to and request draft technical advice in the form of draft EU Sustainability Reporting Standards (or amendments to Standards) from the EFRAG SR TEG on issues relevant for the EFRAG SRB's positions as detailed further in Article 39 including the due process; oversee the technical work of the EFRAG SR TEG, and provide guidance and feedback to the EFRAG SR TEG on its technical work;
  - d) To provide directions on the field work and impact analysis work of EFRAG where specific consultations or investigations are deemed necessary to provide an economic assessment. In particular in the possible interactions of sustainability reporting standards with economic growth and financial stability, and, more generally, in the areas where the EFRAG SRB requires support by the EFRAG Secretariat;
  - e) To provide directions concerning the digital guidance accompanying the draft EU Sustainability Reporting Standards;
  - f) To ensure the optimal use of European resources, i.e. ensuring pooling of resources with National Organisations and National Standard Setters, European Stakeholder Organisations, European public institutions, authorities and agencies and other organisations with an interest in sustainability reporting including global standard setters and initiatives within the responsibilities of the EFRAG SRB and its delegation model.
  - g) To advise the European Commission on the strategic direction in relation to sustainability reporting;
  - h) To consider and comment upon proposed developments to European regulations, directives, guidelines and guidance as requested by the European Commission;



- i) To decide on the agenda of EFRAG's research activities, after consultation with the European Commission and after public consultation on possible projects to be included in the research agenda, when deemed necessary, so as to stimulate the sustainability reporting debate in Europe and worldwide and to cooperate with international sustainability reporting standard setter including the IFRS Foundation ISSB and other relevant global initiatives.
- j) To provide input to the IFRS Foundation ISSB's agenda consultations after consultation with the European Commission and after public consultation.