

EFRAG Academic Panel

TERMS OF REFERENCE

Update approved by EFRAG FR TEG on 13 September 2024

Objective

The role of the EFRAG Academic Panel (the 'Panel') is to promote the cooperation between EFRAG and the academic community, to support primarily EFRAG FR TEG and, when relevant, to support EFRAG SR TEG in providing its technical advice to the EFRAG FRB and EFRAG SRB on research related to corporate reporting issues that are relevant to European constituents. The Panel contributes to the debate on current relevant topics by:

- providing academic input on EFRAG's projects;
- providing references to relevant academic literature and researchers that would be relevant to consider for EFRAG's projects; and
- assisting EFRAG in finalising tenders for academic studies (including formulating the research questions), selecting the successful bidder(s), and monitoring and reviewing outsourced academic work.

Where appropriate, the members of the Panel should liaise with other academics active in the corporate reporting field.

The Panel's output takes the form of input to EFRAG FR TEG and EFRAG SR TEG. The Panel is not an EFRAG decision-making body but advisory in nature. The Panel does not express its views publicly in any way.

Preferred composition of the Panel

The Panel should consist of academics specialising in corporate reporting and notably in IFRS Accounting Standards and/or sustainability reporting issues, and it should be knowledgeable in European specificities. The Panel should also provide a good mix of country backgrounds.

The indicative size of the Panel is 18 members. The EAA Financial Reporting Standards Committee (EAA FRSC) is entitled to one seat, which can be taken by either its Chair or any other member designated by the EAA FRSC.

The appointment of the members is proposed by the EFRAG FR Chair in cooperation with the EFRAG SR Chair for approval by EFRAG FR TEG in accordance with EFRAG's procedures for appointments of members to EFRAG Working Groups, as included in Article 28 of EFRAG's Internal Rules. The members are appointed in their personal capacity and may not be represented by alternates.

Generally, at least one EFRAG FR TEG member is appointed as a member of the Panel. Normally this person would chair the Panel. However, in specific cases another person can be appointed in accordance with EFRAG's procedures as laid down in article 28 of EFRAG's

Internal Rules. The task of chairing the Panel can also be divided between the EFRAG FR TEG member appointed as a member of the Panel and another member of the Panel.

Representatives of the European Commission, the IASB, the ISSB and other interested organisations may be invited to attend the meetings of the Panel as observers with speaking rights.

Staff of National Standard Setters (of countries that financially contribute to EFRAG) or of EFRAG Member Organisations can attend the meetings as observers.

The EFRAG FR TEG Chair may decide on revisiting the composition of the Panel at an appropriate time and launching a new call for candidates for membership on the Panel.

Meetings

The Panel is expected to have one physical meeting and one virtual meeting per year, with the possibility to have additional virtual meetings. Advice and other input will also sometimes be sought via email, telephone, video conferencing or other electronic means.

The work and meetings of the Panel are conducted in English.

It is expected that one Panel meeting will take place at EFRAG's offices in Brussels or in conjunction with a major academic event in Europe.

EFRAG will cover the travel expenses for the Brussels meetings. Travel expenses are subject to EFRAG's Travel Policy and are booked by the EFRAG Secretariat unless agreed otherwise.

The Panel can, through its Chair, invite (academic) guests to its meetings for specific agenda items.

All meetings of the Panel are closed sessions, i.e. not open to public observers.

Relationship with EFRAG FR TEG and EFRAG SR TEG

The EFRAG FR TEG Chair, the EFRAG SR Chair, the EFRAG management and other EFRAG Secretariat members participate in the discussions as appropriate. EFRAG FR TEG and SR TEG members can and are encouraged to attend the meetings of the Panel to raise questions to improve their understanding of the issues at stake and the recommendations of the Panel.

The EFRAG Secretariat will provide regular updates to EFRAG FR TEG and, when relevant, to EFRAG SR TEG on the outcome of the Panel discussions, including any diverging views between the members or preferred alternatives, with the underlying arguments.

The Panel members are informed about the reports provided to EFRAG FR TEG and EFRAG SR TEG on their discussions.

Methods of working

The administrative support of the Panel is provided by the EFRAG Secretariat. The topics for the agenda of the meetings are selected in cooperation with the EFRAG Academic Panel, the Chair and Panel members.

The EFRAG Secretariat prepares the papers for the Panel. Panel members would be encouraged to present papers at meetings. The EFRAG Secretariat endeavours to make the meeting papers available no less than five working days before the meeting of the Panel.

Internal rules

The EFRAG Internal Rules as approved by the EFRAG General Assembly on 28 April 2022, in particular Article 31, apply to all EFRAG Working Groups.

Brussels, 13 September 2024.