EUROPEAN CORPORATE REPORTING LAB

EUROPEAN LAB PROJECT TASK FORCES (EUROPEAN LAB PTFs) OPERATING GUIDELINES

Approved by the European Lab Steering Group (European Lab SG) 27 November 2018

1. GENERAL

1.1. The European Lab PTF works within the context of the objective of the European Corporate Reporting Lab at EFRAG (European Lab) to stimulate innovation in the field of corporate reporting in Europe by identifying and sharing good practices.

1.2. Members of the European Lab PTF are appointed in a personal capacity and may not be represented by alternates.

1.3. Members of the European Lab PTF will not be remunerated by EFRAG for their duties and activities and are expected to bear their own travel and other expenses. In exceptional circumstances this can be reconsidered for individual cases.

1.4. Members of the European Lab PTF are required to commit themselves to acting in the European public interest in all matters relating to their European Lab PTF member role.

1.5. Members of the European Lab PTFs should bring to the table practical insights based on either the preparation or use of information and be instrumental in identifying and reviewing good practices based on their expertise and experience. Members of the European Lab PTFs should actively contribute to all aspects of project execution including outreach activities and promotion of the work of the European Lab PTF and its deliverables.

2. COMPOSITION OF THE PTFs

2.1. The composition of the European Lab PTF will depend on the project topic and scope but would include, for example, companies of different sizes publishing non-financial information and corporate reports; users (analysts and investors (mainstream and socially responsible investors), data providers); and other stakeholders such as the accountancy profession.
2.2. There should be a good mix of different professional and interests backgrounds and of country backgrounds. A proper gender balance should be strived for.

2.3. Members of the European Lab SG may participate in European Lab PTF’s activities when they have relevant experience and expertise for the project.

2.4. Members of the European Lab PTF have a nationality from the European Economic Area.

2.5. Members of the European Lab PTF are appointed by the European Lab SG upon recommendation of the EFRAG Secretariat following a public call for candidates which includes a detailed description of the project and hence the expertise and experience sought.

2.6. The size of the European Lab PTF will depend on the nature of the project and the project activities and the available candidates and would be in the order of around 20 members. The outreach activities (see 3.13 - 3.18) allow for the involvement of a wider range of stakeholders in various ways.

2.7. Members of the European Lab PTF are appointed for the length of the project. If a project is taken up again at a later stage because practice has developed, a new call for candidates will be issued to which European Lab PTF members that had prior involvement can be invited.

3. OPERATIONAL: PROJECT WORK AND OUTREACHES

General

3.1. Meetings of the European Lab PTF are chaired by a member of the European Lab PTF supported by the EFRAG Secretariat.

3.2. The Chair of the European Lab PTF is appointed by the European Lab SG.

3.3. The role of the Chair of the European Lab PTF includes being an integral part of overseeing the project execution, chairing the meetings and reporting back to the European Lab SG.

3.4. The organisation of the work, the way of collecting input and conducting outreaches and other forms of public consultation are the responsibility of the PTF supported by the EFRAG Secretariat.

3.5. English is the working language of the European Lab PTF.

3.6. The European Lab PTF aims to operate by consensus on the contents of the project reports and other deliverables with the understanding that project reports and other deliverables may reflect a range of different views. If consensus on the contents of the project reports and other deliverables cannot be reached, decisions will be determined by a simple majority vote of the members of the European Lab PTF present. Publication of the reports will be subject to the assessment by the European Lab SG Chairman as specified in Art 3.21.

Scope and Project Plan

3.7. The topic, objective(s) and any areas of specific focus of the project are determined by the European Lab SG. In case the European Lab PTF
substantially wishes to change the objectives(s) and the areas of focus, the Chairman of the European Lab PTF will consult with the European Lab SG.

3.8. In its first meeting the European Lab PTF decides on a project plan including the organisation of the work, supporting research, the activities envisaged to be undertaken, the outreach and other means of (public) consultation and a timeline. This project plan can be adapted in the course of the project. The project plan should allow the European Lab SG to monitor the progress of project implementation.

3.9. The project plan should indicate which elements of the work and outreaches will be public.

3.10. The project plan should indicate any cost implications beyond human resources (e.g. access to databases, costs of events). These cost implications, if material, should be cleared with the EFRAG Board.

**Working Methods**

3.11. The European Lab PTF will bring to the table practical insights based on either the preparation or use of information and be instrumental in identifying and reviewing good practices drawing on their expertise and experience. The European Lab PTF may organise and facilitate further dialogues between reporting companies, users and other relevant stakeholders and organisations within the context of the project. The content and outcomes of the work of the European Lab PTF will be documented in project reports and other deliverables.

3.12. The European Lab PTF decides in its first meeting on the working methods for the project which could include physical meetings in the EFRAG offices in Brussels, webcast or video conference meetings, conference calls, email exchange and other electronic means. The first meeting is a physical meeting.

**Stakeholder Outreaches**

3.13. The European Lab PTF decides on the form of consultation and outreaches relevant and appropriate for the public.

3.14. The European Lab PTF’s activities may include wider consultation such as expert meetings, seminars, round table discussions, interviews, surveys and other activities to facilitate engagement and exchange with other stakeholders.

3.15. The European Lab PTF may use the EFRAG User Panel and the EFRAG Academic Panel to seek input.

3.16. The European Lab PTF decides what form, if any, of feedback should be given on the (public) outreach activities in separate summary reports or in the overall project report.

3.17. Some of these outreaches may be open to the public. Such public outreaches are webcasted (audio and video recorded). The video and audio recording will be publicly broadcasted on the internet and will be later stored for on-demand viewing and available for a period of one year through the EFRAG website. Thereafter the recordings will be archived and be made publicly available on
demand as long as needed for internal and external research purposes. European Lab PTF members and observers sign a consent form.

3.18. For outreaches that are open to the public, notice and where applicable the agenda or the programme and related papers will be posted on the EFRAG website.

**Project report(s)**

3.19. The European Lab project reports and other deliverables are not intended to and do not have any authoritative or normative status.

3.20. The contents of the project report(s) will be decided by the European Lab PTF. The project report(s) may reflect a range of different views. The project reports will contain a disclaimer to the effect that their content reflects the views of the European Lab PTF members only.

3.21. Following the European Lab PTF’s decision as to the contents of a project report and other deliverables (Art 3.6), the European Lab SG Chair (EFRAG Board President) will assess whether appropriate quality control and due process (such as consultation of relevant stakeholders) have been observed and, if so, will approve the publication of the report(s) and other deliverables.

4. **ROLE OF THE EFRAG SECRETARIAT**

4.1. The administrative and operational support (including scoping, planning, stakeholder outreaches and support for the preparation and publication of project reports and other deliverables) for the European Lab PTF is provided by the EFRAG Secretariat.

4.2. The EFRAG Secretariat prepares the papers for European Lab PTF meetings. Members of the European Lab PTF can submit papers they want to share or be discussed to the EFRAG Secretariat.

4.3. The EFRAG Secretariat endeavours to make the meeting papers available sufficiently in advance of the meeting of the European Lab PTF.

4.4. The EFRAG Secretariat endeavours to make the draft minutes of a meeting of the European Lab PTF available within reasonable time after the meeting.

5. **CONFIDENTIALITY**

5.1. Members of the European Lab PTF should ensure that they maintain strict confidentiality relating to any information which may be obtained during the course of the European Lab’s activities and is not in the public domain.

5.2. In case of a data breach (meaning that personal data was accidentally or unlawfully disclosed to unauthorised persons, destructed, lost, altered or otherwise processed in breach of the initial purposes) the relevant European Lab PTF members should immediately contact EFRAG at saskia.slomp@efrag.org.

5.3. Members of the European Lab PTF should disclose any potential conflict of interest, for instance client relationships, to the European Lab SG Chairman.
6. EFRAG INTERNAL RULES

6.1. The EFRAG Internal Rules as approved by the EFRAG General Assembly on 12 September 2018 apply, where relevant, to the European Lab activities.