



PRESS RELEASE

MILESTONES IN EFRAG'S GOVERNANCE REFORM

EFRAG welcomes thirteen new member organisations in sustainability reporting

EFRAG is glad to announce the milestones in its governance reform: the integration of the sustainability pillar in its organisational structure. EFRAG welcomes the membership in the sustainability reporting pillar of thirteen organisations:

- In the European Stakeholders Organisations Chapter: EFAMA and EuropeanIssuers; and
- In the Civil Society Organisations Chapter: 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; WWF; BETTER FINANCE; Finance Watch, European Trade Union Confederation (ETUC) and European Accounting Association

Brussels, 25 January 2022: The EFRAG General Assembly has approved the admission of thirteen new EFRAG Member Organisations and the revised EFRAG Statutes and Internal Rules.

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 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](#).

Key milestones have been reached by the EFRAG General Assembly meeting on 21 January 2022:

- the revisions of the EFRAG Statutes and Internal Rules were approved which form the legal basis for implementation of the EFRAG governance reform; and
- EFRAG has extended its membership to be more inclusive of the wide range of sustainability reporting stakeholders.



All seventeen existing EFRAG Member Organisations that contribute to the financial reporting pillar have agreed to join the sustainability reporting pillar as well. In addition, thirteen new member organisations have joined:

- In the European Stakeholders Organisations Chapter:
 - EFAMA (sector asset management)
 - EuropeanIssuers (sector business-listed companies)
- In the Civil Society Organisations Chapter:
 - NGO sector:
 - 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
 - WWF
 - Consumer organisations sector:
 - BETTER FINANCE
 - Finance Watch
 - Trade unions sector:
 - European Trade Union Confederation (ETUC)
 - Academics sector:
 - European Accounting Association.

Other 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. EFRAG General Assembly meetings in which new member organisations can be admitted will take place on 15 February, 1 and 15 March 2022. After these dates organisations can still join and further EFRAG General Assembly meetings can be organised on an as-needed basis.

EFRAG also introduces 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 Angela Impact Economy and ENGIE are the pioneers in the Friends of EFRAG-Sustainability Reporting. Other entities are very welcome to follow suit.

With the adoption of the EFRAG Statutes and Internal Rules, the appointment of the EFRAG Administrative Board members¹ was formalised with the exception of the EFRAG Administrative Board President and the member on the Civil Society Organisations seat. The EFRAG Administrative Board is responsible for EFRAG’s organisation, administration, finance and due process. The EFRAG Administrative Board is not involved in any technical work or any technical decisions.

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

“I am very pleased that within less than a year since I submitted my report with recommendations to Commissioner McGuinness, we have been able to make big steps forward in implementing the governance reform. It is very encouraging that so many new

¹ See editors’ footnote 4

organisations have joined the EFRAG membership in the sustainability reporting pillar giving remarkable support to the role of EFRAG as technical adviser to the European Commission in providing draft EU Sustainability Reporting Standards. EFRAG will greatly benefit from their relevant experience and knowledge from so many different backgrounds.

I am delighted that all existing Member Organisations without any exception have also agreed to participate in and contribute to the sustainability reporting pillar. Eleven organisations give valuable membership to the Civil Society Organisations Chapter representing all sectors. I also welcome the two new organisations in joining the European Stakeholder Organisations Chapter.

I hope that other companies and organisations will follow the initiative of Angela Impact Economy and ENGIE and will join the EFRAG Friends- Sustainability Reporting.

With the legal basis in place, we will rapidly continue with the implementation of the EFRAG governance reform. You can soon expect calls for candidates for the EFRAG Sustainability Reporting Board and for the EFRAG Sustainability Reporting TEG and its Chair.

I welcome the support of the new EFRAG Administrative Board in the governance reform implementation process being responsible for EFRAG's organisation, administration, finance and due process."

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

- **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*

- ENDS -



Notes for editor:

1. Contact details:

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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 accompanied by bases of 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. New Organisations joining the EFRAG Membership:

European Stakeholders Organisations Chapter:



[EFAMA](#)

EFAMA is the voice of the European investment management industry, whose members manage approximately EUR 31 trillion of assets. We promote the interests of our members to develop a regulatory environment that supports the growth of the European market for asset management and investment funds.

A key part of EFAMA's mission is to educate stakeholders on the industry's crucial role in steering capital towards investments that support a sustainable future and provide long-term value for investors.



[EuropeanIssuers](#)

EuropeanIssuers is a pan-European organisation representing the interests of publicly quoted companies across Europe to the EU institutions. Our members include both national associations and companies from all sectors in 15 European countries, covering markets worth €7.6 trillion market capitalisation with approximately 8,000 companies. We aim to ensure that EU policy creates an environment in which companies of all sizes—from emerging growth companies to the large blue chip companies—can easily raise capital through the public markets and deliver growth over the longer term. More information on our positions can be found at www.europeanissuers.eu or on EuropeanIssuers LinkedIn and Twitter page.

Civil Society Organisations Chapter:



[The Climate Finance Fund of the European Climate Foundation](#)

The Climate Finance Fund

The Climate Finance Fund (CFF) is a philanthropic platform that helps to mobilize capital for climate solutions. CFF focuses on China, the European Union, and the United States, and on capital allocators across the supply chain: consumers, small and medium sized enterprises, large non-financial corporations, and banks and asset managers. CFF also provides expertise to market rule makers, like financial regulators, on climate and clean energy finance. There are two pillars of the work, both with a justice, equity, diversity, and inclusion (JEDI) lens: innovative finance and the systemic decarbonization of capital. CFF is supported by the William and Flora Hewlett Foundation and hosted at the European Climate Foundation. About the European Climate Foundation



The European Climate Foundation (ECF) was founded in 2008 as a major philanthropic initiative to help tackle climate change by fostering the development of a low-carbon society at the national, European and global level. We support over 500 partner organizations to carry out activities that contribute to the public debate on climate action, drive urgent and ambitious policy in support of the objectives of the Paris Agreement and help deliver a socially responsible transition to a net-zero emissions economy and sustainable society in Europe and around the world.

ECONOMY 
FOR THE COMMON GOOD
goal and purpose.

[Economy for the Common Good](#)

ECG is an economic model, which makes the Common Good, a good life for everyone on a healthy planet, its primary

At the heart of this concept lies the idea that values-driven businesses are mindful of and committed to:

- Human Dignity
- Solidarity and Social Justice
- Environmental Sustainability
- Transparency and Co-Determination

Such businesses gain a competitive advantage in this new economy.

EDF 
ENVIRONMENTAL
DEFENSE FUND®
Finding the ways that work

[Environmental Defense Fund Europe](#)

Environmental Defense Fund is a leading international non-profit organisation, active in 28 countries worldwide and with offices in the United States, the European Union, China, Mexico and Indonesia. We create transformational solutions to

the most serious environmental problems by linking science, economics, law, and innovative private-sector partnerships.

Environmental Defense Fund Europe is a registered charity (KvK number 72607440) and a Legal Entity and Partnership (RSIN number 859171814) incorporated in the Netherlands.


Frank Bold

[Frank Bold Society](#)

Frank Bold is a public interest law firm founded in 1995 working to solve social and environmental problems. Through its Czech and Polish branches, Frank Bold focuses on litigation and advocacy in the field of climate change, anti-corruption and corporate responsibility; and the office in Brussels implements EU advocacy work. In 2018, Frank Bold founded the Alliance for Corporate Transparency, bringing together 20 leading European NGOs to provide evidence on the quality of corporate disclosures and the need to reform the EU legislative framework for sustainability reporting. Frank Bold also works with thought leaders in business and academia to propose solutions to integrate societal and sustainability considerations in corporate governance.

**PUBLISH WHAT YOU PAY**[Publish What You Pay](#)

Publish What You Pay is a global network of 1000 civil society organisations working to ensure the oil, gas and mining industries are open and accountable.

[Transport & Environment](#)

The European Federation for Transport and Environment (T&E) is Europe's primary non-governmental organisation campaigning on a Europe-wide level for an

environmentally responsible approach to transport including road, rail, air, water and non-motorised transport as well as goods and passengers transport. Established in 1990, T&E represents 63 organisations across Europe, is politically independent, science-based and strictly not-for-profit.

The work of our Brussels-based team is focused on the areas where European Union policy has the potential to achieve the greatest environmental benefits. Therefore, T&E's ambition in Brussels focuses on three areas: clean technology, frameworks for transport pricing, and investment.

[WWF European Policy Office](#)

WWF is one of the leading environmental NGOs worldwide. Our mission is to stop the degradation of the planet's natural environment and to build a future in which humans live in harmony with nature. The European Policy Office helps shape EU policies that impact on the European and global environment.



The European Federation of Investors and Financial Services Users
Fédération Européenne des Épargnants et Usagers des Services Financiers

[BETTER FINANCE](#)

BETTER FINANCE, the European Federation of Investors and Financial Services Users, is the public interest non-governmental organisation advocating and defending the interests of European citizens as financial services users at European level to lawmakers and the public in order to promote research, information and training on investments, savings and personal finances. It is the one and only European-level organisation solely dedicated to the representation of individual investors, savers and other financial services users.

BETTER FINANCE was founded on the belief that the financial system exists to serve the real economy. For this reason, it focuses on restoring confidence in financial markets and promoting an open, transparent, efficient and sustainable real economy served by financial institutions that have the public interest in mind. Today

BETTER FINANCE counts nearly 40 independent, national and international member organisations, mainly from EU and EEA Member States.”



[Finance Watch](#)

Finance Watch is an independently funded public interest association dedicated to making finance work for the good of society. Its mission is to strengthen the voice of society in the reform of financial regulation by conducting advocacy and presenting public interest arguments to lawmakers and the public. Finance Watch’s members include consumer groups, housing associations, trade unions, NGOs, financial experts,

academics and other civil society groups that collectively represent a large number of European citizens. Finance Watch’s founding principles state that finance is essential for society in bringing capital to productive use in a transparent and sustainable manner, but that the legitimate pursuit of private interests by the financial industry should not be conducted to the detriment of society. Learn more at www.finance-watch.org



[ETUC](#)

The ETUC is the voice of workers and represents 45 million members from 92 trade union organisations in 39 European countries, plus 10 European Trade Union Federations.



[European Accounting Association](#)

The European Accounting Association (EAA) is a leading international academic association with over 2.000 members, aiming at promoting high-quality and impactful accounting research, best practices in teaching, and interactions with accounting practitioners and regulators. The EAA is at the center of a network of relations with several professional and academic associations, as well as with European or

international committees and authorities concerned with standard setting and political decision making in the field of accounting.

4. Members of the EFRAG Administrative Board

- EFRAG Administrative Board President (to be appointed): Jean-Paul Gauzes till the end of his mandate
- European Stakeholder Organisations Chapter:
 - o Sebastien de Brouwer
 - o Hans Buysse
 - o Benoit Jaspar
 - o Claes Norberg
 - o Elina Peil
- National Organisations Chapter:
 - o Michel Barbet- Massin

- Santiago Duran Dominquez
- Stig Enevoldsen
- Paolo Gnes
- Georg Lanfermann
- Peter Sampers
- Andrea Sternisko
- Anders Ullberg
- Civil Society Chapter: 1 member (to be appointed)

