

This paper has been prepared by the EFRAG Secretariat for discussion at a public meeting of the EFRAG SRB. The paper does not represent the official views of EFRAG or any individual member of the EFRAG SRB or EFRAG SR TEG. The paper is made available to enable the public to follow the discussions in the meeting. Tentative decisions are made in public and reported in the EFRAG Update. EFRAG positions, as approved by the EFRAG SRB, are published as comment letters, discussion or position papers, or in any other form considered appropriate in the circumstances.

Q&A Platform approval of categorisations and explanations

Cover Note

Objective

- 1 Finish the approval of the batch of categorizations discussed 24 April (now paper 06-02) and approve the new batch of categorizations (paper 06-03).

Background

- 2 As of 25 April 2024, EFRAG has received 424 questions: 150 related to the cross-cutting, 119 to the environment, 72 to the social standards and 13 to the governance standards.
- 3 Approval of categorisations: As of 25 April 2024, SRB has approved 201 questions; 48 explanations have been approved.
- 4 On 24 April 2024 SRB has discussed a batch of categorisations (now paper 06-02) but due to time constraints deferred this batch to the 2 May meeting for final approval. Preliminary decisions taken were:
 - a. ID 438 radioactive waste replace term “de minimis” with “material amounts”
 - b. ID 792: it was agreed to reformulate the question to: “Is a joint venture required to prepare a (consolidated) sustainability statement?”, categorize that question as “1 explanation” and adjust the reasoning “Explain giving a generic answer that JV need to prepare a sustainability statement not being able to apply the subsidiary exemption subject to the specific transposition of the provisions of the Accounting Directive in national laws in EU member states”
 - c. ID 679 and 732 on EU subgroups of 3rd country groups being exempt from preparing financial statements on an EU level:
 - i. for ID 732 have the following reasoning: “explain that financial information required by ESRS (e.g. assets at physical risk, revenue etc) are part of ESRS requirements and if they are not in financial statement as they are not prepared (based on the exemption in Art 23 of the Accounting Directive for Non-EU Groups) they must be disclosed in the sustainability statement”
 - ii. decision taken: both should be “2 implementation guidance” to receive feedback
- 5 A new batch of categorizations is presented to SRB (paper 06-03).

Questions for EFRAG SRB

- 6 Does the SRB approve the suggested question categorisations in both documents?

Next steps

- 7 SRB will discuss/approve new categorisations in the next SRB session (tbc).
- 8 SRB will approve on a no-objection basis the next batch of explanations approved by SR TEG and processed by the SRB Working groups.

Agenda Papers

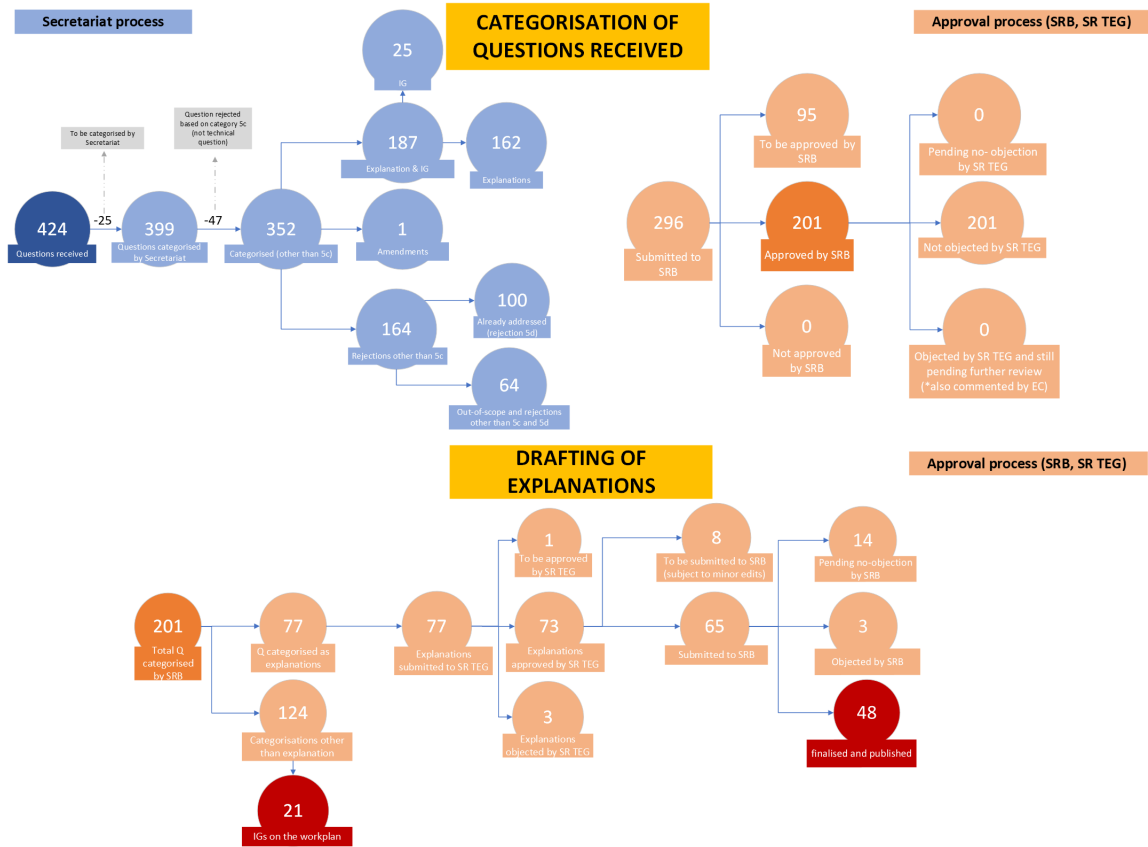
- 9 In addition to this cover note, agenda papers for this session are:
- (a) Agenda paper 06-02 – Categorizations SRB meeting 240502 (parked 240424)
 - (b) Agenda paper 06-03 – Categorizations SRB meeting 240502

Appendix 1: Update Q&A Platform as of 23 April 2024

Question related to:	Number of questions received since 24 October 2023
x-cutting	150
Environment	119
Social	72
Governance	13
XBRL	10
VSME	1
LSME	0
Sectors	0
Other	54
not yet allocated to the above	5
TOTAL	424

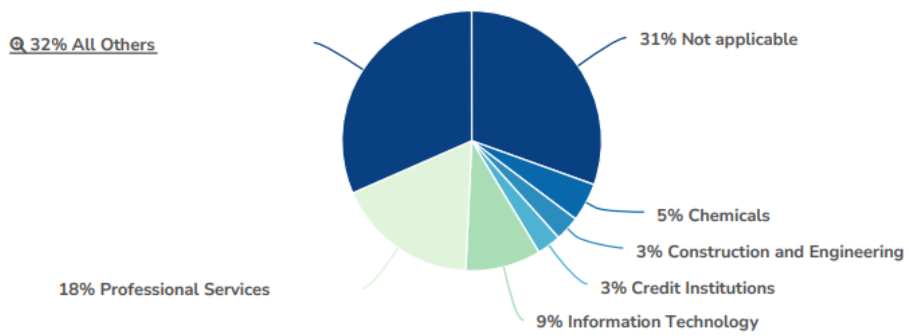
Overview of questions received as of 23 April 2024 - categorisations and explanations:

Update on categorisation Q&A Platform – Cover Note

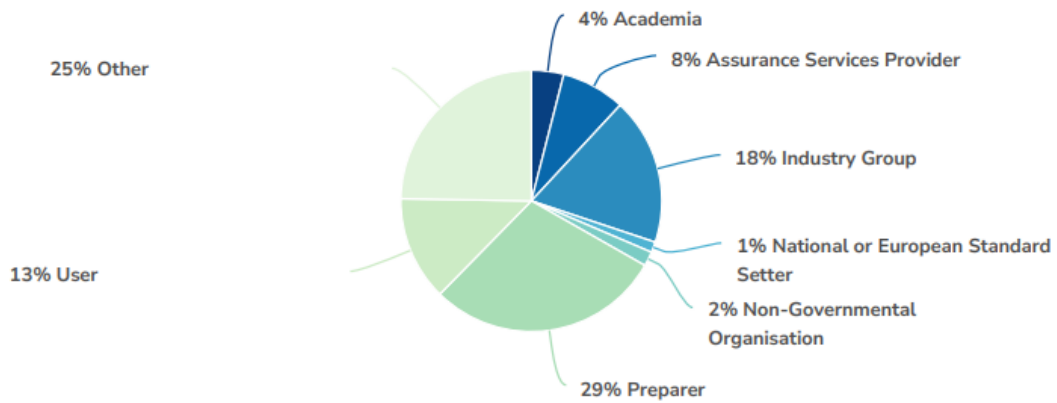


Update on categorisation Q&A Platform – Cover Note

Questions received by sector:



Questions received by stakeholder:



Questions received by country:

