meeting 15.05.2024 as being objected by SRT / EC

m to Sustainability Reporting Board

Cut-off date for questions processed by secretariat: 25/05/2024 Mailing for: SR Board Mailing type: cat. to be sent to SRB

Re-sponse ID	Category of question: * explanation * Imp.G * Amendment * out of scope * Rejection (secretariat proposal)	bundling of related questions (only applicable for implementation guidance and 5c already asked)	Allocation to E, S, G, x-cutting and others	Q+A Title (Secretariat)	Question asked (Secretariat)	ESRS reference (Secretariat)	Reason for categorisation	Main Sector	Stakeholder group	Country question coming from
420	4 - out-of-scope of EFRAG	n/a	x-cutting	Undefined terms - methodology how to deal with them	What should be the approach to be followed for terms that are not defined in the glossary of defined terms (Annex II)?	Glossary	SRB decision 20.3 - should be discussed with EC what concepts should be applied (methodology, priorities) in situations where there is no definition feedback EC 9. Apr: We think that it is very difficult to give a generic response that would actually help preparers. There may be specific cases (specific terms) where we (or EFRAG) could advise one thing or the other, but that would require the question to be about a specific term and not a general question about all undefined terms. We are not likely to address this in our public Q&A, at least not in this first set we are working on now. We would be happy to discuss further if you wish.	Not applicable	Other	Belgium
682	4 - out-of-scope of EFRAG	n/a	x-cutting	EU subsidiary company with non-EU parent company - exemption	As part a group, only our largest understaking meets the criteria to start reporting in FY2025. We would like to understand if the group and the largest company shall present separate reports, where the group report would include the large company sustainability as well as other group undertakings, and the large company should report on itself alone. Alternatively, would the group report comprising the largest company be sufficient?	Phase in	The question requires an interpretation of the accounting directive and it is not related to ESRS. HOWEVER: Based on the question received it can be assumed that in the case of the submitter the parent company is a non-EU company. It might be beneficial for that fact pattern to explain that indeed the large EU sub must prepare its own sustainability statement before the 3rd country reporting applies. SRB 2.5.24: decided to have a short explanation (instead of out-of-scope) on the FY 2025 sustainability reporting need for the EU subsidiaries in 3rd country groups EC (8 May) requested to categorize this question as 4: out-of-scope / Question is in the EC Q+A on ESRS # 43 (inform SRB on this decision)	Food and Beverages	Preparer	Malta

792	4 - out-of-scope of EFRAG	n/a	x-cutting	rules for consolidation	Is a joint venture required to prepare a (consolidated) sustainability statement? The question received was as follows but was understood to ask the above; it was reformulated for clarity: Is consolidated reporting available for companies that do not share a unique parent company?	ESRS 1 chapter 7.6	Explain giving a generic answer that JV need to prepare sustainability statement not being able to apply the subsidiary exemption. Noting that: ESRS has no consolidation rules on its own but follow the scope of consolidation of the financial statements. Whether joint ventures need to prepare (consolidated) sustainability statements is a CSRD not an ESRS question. However, it can be assumed that they have to, because by definition they have no parent company as defined in Art 2 (9) of the Accounting Directive that could make them available for the subsidiary exemption provision; noting that subsidiary exemption is only available if an undertaking is included in a consolidated group as required by Art 19a (9) of the Accounting Directive. Therefore, it is expected that a joint venture having no parent company and therefore not being a subsidiary according to Art 2 (10) of the Accounting Directive is not able to avail itself for the subsidiary exemption. Specific national laws transposing the Accounting Directive need to be considered. EC (8 May) asked to have this categorized as "4 out of scope" inform SRB	Chemicals	Preparer	United Kingdom