

THE EUROPEAN VOICE OF DIRECTORS

#EUALERT

Week 50



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ecoDa's News

EUROPEAN INSTITUTIONS DEVELOPMENTS

EC: Sustainable Corporate Governance

The European Commission seems to have set the 15th of February as a new preliminary date for the Sustainable Corporate Governance file.

EP: ECON Committee's Opinion Report on CSRD

The opinion report introduces several modifications aimed at improving the proposal in this regard, in particular by removing the publication of information on intangible assets; in providing further guidance for the development of technical standards; in ensuring that information is published when it has added value; and allowing more time for the development of technical standards, so that this process is executed properly, rather than quickly. According to the rapporteur, "the Commission has failed to explain in which way the nature of SMEs had changed between NFRD and the new proposal on CSRD. In addition, the Commission lacked clear information on how their suggestion on covering listed SMEs would reflect on the international debate on setting sustainable standards for SME's ».

https://www.europarl.europa.eu/doceo/document/ECON-PA-700636_EN.pdf

EFRAG: Call for candidates for Chair of the Financial Reporting Board and Chair of the Sustainability Reporting Board

In its calls for candidates (Financial Reporting – Sustainability Reporting), the European Commission sets out the requirements for the positions and describes the application and selection procedures. Applications should be submitted by email to FISMAC1@ec.europa.eu no later than 12h00 (mid-day) on 1 February 2022.

https://ec.europa.eu/info/files/211213-call-for-application-efrag-financial-reporting-board_en

https://ec.europa.eu/info/files/211213-call-for-application-efrag-sustainability-reporting-board_en

NATIONAL DEVELOPMENTS

France: Rixain Law just adopted by the senate

A new law in France will impose quotas on companies with more than 1,000 employees for gender equality. Senior executives' position and governing bodies will have to include 30% of women in 2027, and 40% in 2030.

UK : FRC publication on audit firm culture

In a recent FRC publication related to audit firm culture, the audit committee is emphasised as having a critical role, alongside auditors and management. Recommendations of specific actions for these committees to take in order to identify and assess audit firm culture are made by the essays in chapter 2, and demonstrate the importance of considering culture on the same level as that of the audit itself and corporate reporting.

https://www.frc.org.uk/getattachment/fe2b0d35-aeb0-4d3c-8c96-cb04ac0f449d/FRC-Audit-Firm-Culture-Collection-of-Perspectives_December-2021.pdf

UK Judgment : Directors' duties

In a recent case in front of the High Court, the NED was disqualified from acting as director for four years. The NED had, amongst other things, failed to investigate thoroughly the reasons for an "extraordinary uplift" in the company's turnover.

<https://www.bailii.org/ew/cases/EWHC/Ch/2021/3261.html>

ecoDa's NEWS

- **17th of December & 7 January:** ecoDa WG on Audit Committees to discuss the ongoing EC Consultation on the quality of Corporate Reporting
- ecoDa wishes you all the best for **a safe and enjoyable holiday season and New Year !**

<https://www.youtube.com/watch?v=AIg5SSewwSg>