

This paper has been prepared by the EFRAG Secretariat for discussion at a public meeting of EFRAG SR TEG. The paper forms part of an early stage of the development of a potential EFRAG position. Consequently, 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

Objectives

- 1 Review and raise any objections to the latest batch of categorised questions approved by the SRB (paper 03-02).
- 2 Review and approve the latest batch of draft explanations provided by EFRAG secretariat for questions categorized as 'explanations' by SRB (paper 03-03).
- 3 Review and approve changes made to explanation ID 186 objected in the SR TEG meeting 18 January.

Background of the EFRAG discussions

- 4 As per the EFRAG due process for the Q&A workstream, the SRB approved a new batch of categorisations in its meeting on 24 January 2024 (see paper 03-02).
- 5 If the SR TEG has objections to any of the categorisations, these will be voiced in the meeting or sent to EFRAG Secretariat as a written objection in advance of the meeting.
- 6 For the categorisations to which SR TEG does not object, the secretariat has drafted explanations which are subject to SR TEG review and approval (see paper 03-03).
- 7 If the SR TEG has objections to any of the draft explanations, these will be voiced in the meeting or sent to EFRAG Secretariat as a written objection in advance of the meeting, mentioning ID number of the explanation and proposed adjustment to the draft answer.
- 8 SR TEG objected draft explanation ID 186 in its meeting of 18 January. A proposal for approval of a reviewed explanation will be discussed during the meeting, see also Appendix 2.
- 9 As of 24 January, EFRAG has received 236 questions, including 85 related to the cross-cutting, 51 to the environment and 44 on the social standards. Please see Appendix 1 of this cover note for further statistics on the questions received so far.

Questions for EFRAG SR TEG

- 10 Does EFRAG SR TEG have objections to any of the categorisations approved by the SRB in agenda paper 03-02?
- 11 Does EFRAG SR TEG approve the draft explanations in agenda paper 03-03 (subject to editorial review)?
- 12 Does EFRAG SR TEG approve the changes to explanation ID 186 (to be presented during the meeting)?

Next steps

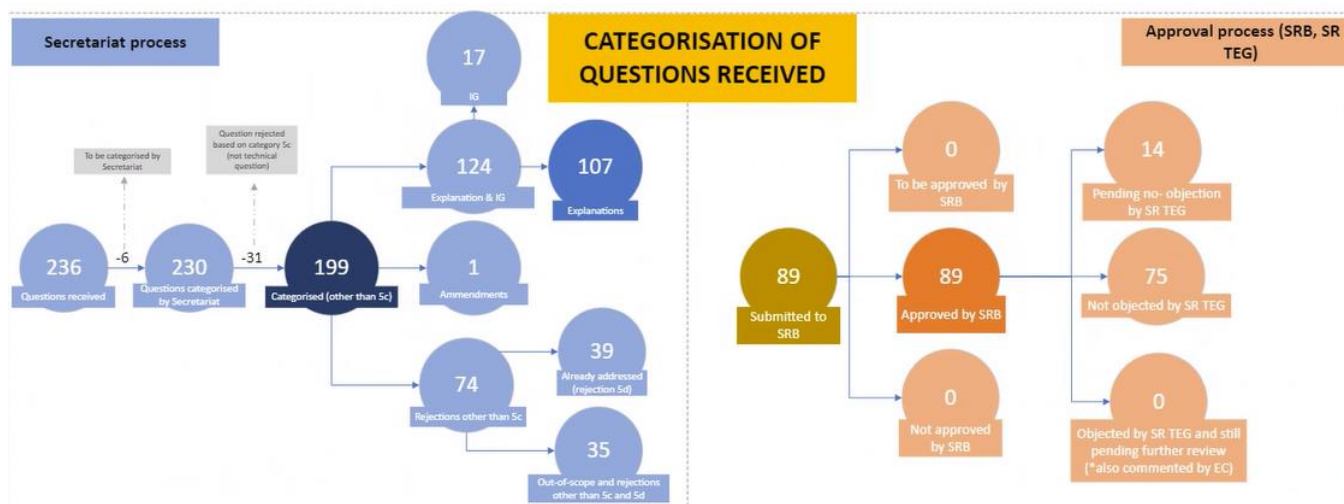
- 13 The SR TEG will discuss/review the next batch of categorisations per written no objection proposal and/or review in a public session (February 2024, tbc).
- 14 The SR TEG will approve the next batch of explanations for categorised questions in a public session (February 2024, tbc).

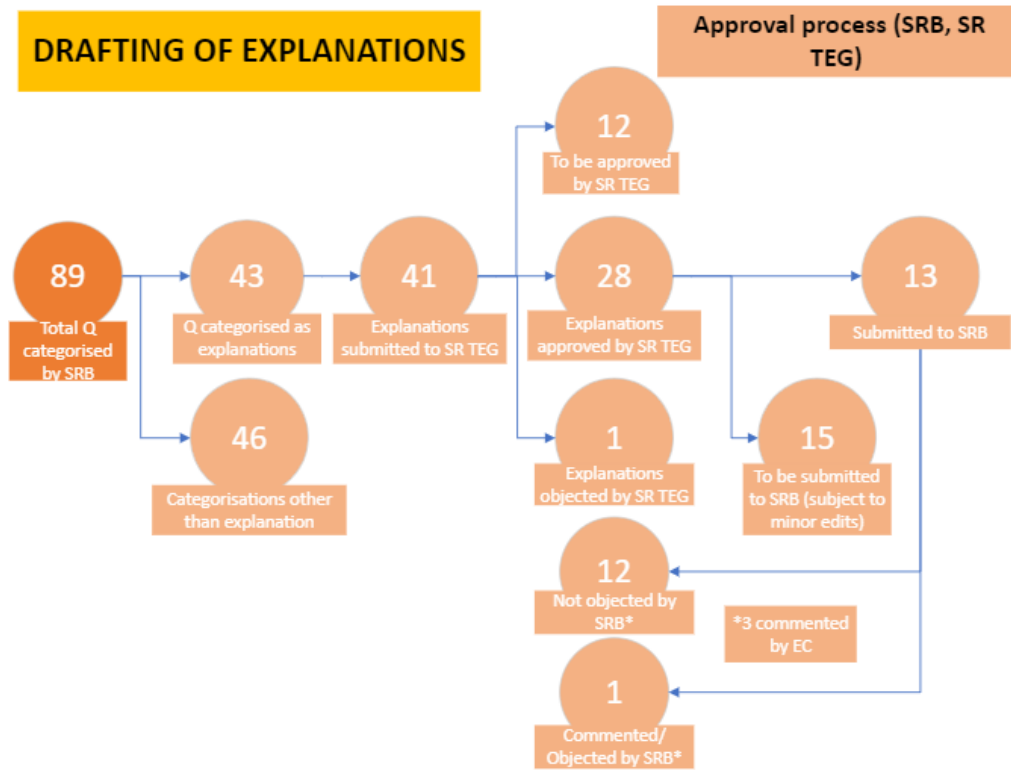
Agenda Papers

- 15 In addition to this cover note, agenda papers for this session are:
 - (a) Agenda paper 03-02 – Log of categorisations SR TEG Meeting 240201;
 - (b) Agenda paper 03-03 – Log of draft explanations SR TEG Meeting 240201.

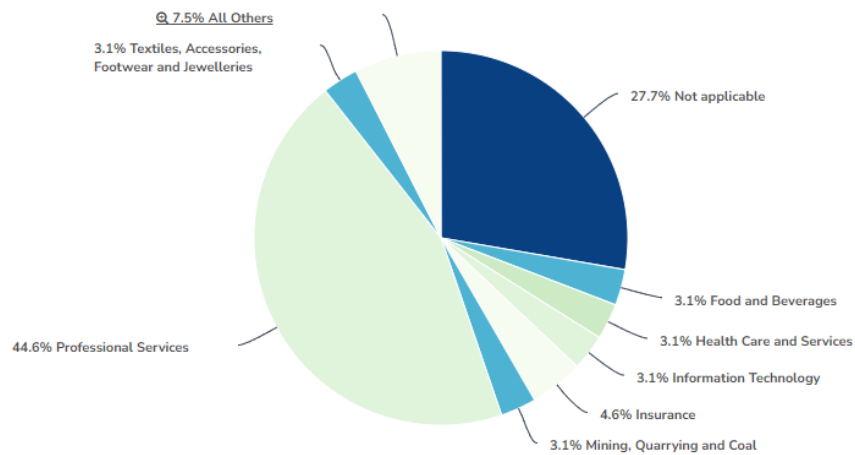
Appendix 1: Update Q&A Platform as of 24 January 2024

Questions related to:	Number of questions received since 24 October 2023
X-cutting	85
Environment	51
Social	44
Governance	6
XBRL	7
LSME	0
VSME	0
Other	43
Not yet allocated to the above	0
TOTAL	236

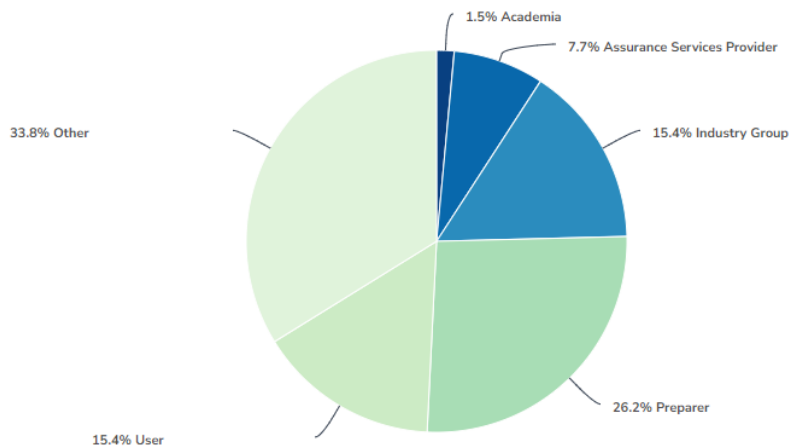




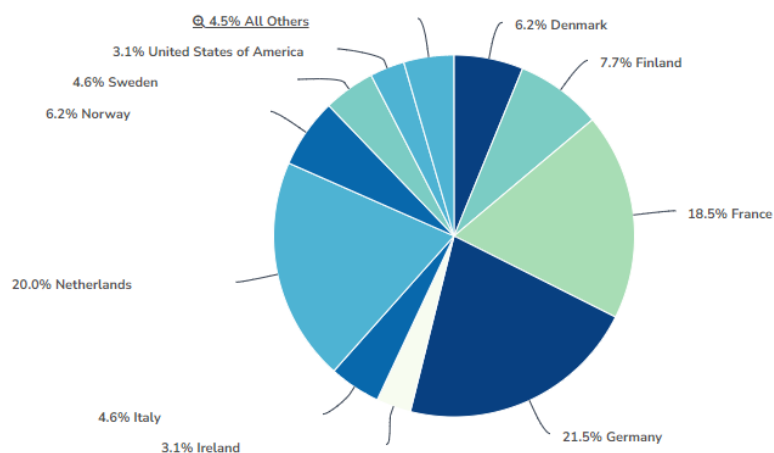
Questions received by sector:



Questions received by stakeholder:



Questions received by country:



Appendix 2: Proposal to change ID 186 draft explanation

ID	186
Question	One of the requirements in the ESRS E2 Pollution Standard is to phase out substances of very high concern (SVHC). How can undertakings identify SVHC?
ESRS reference	ESRS E2 paragraph 6; Disclosure Requirement E2-1 paragraph 15 (b)
Reasoning for reviewing draft explanation answer:	<p>Answer being reviewed in context also of other related questions received through the ESRS Q&A Platform.</p> <p>ID 186 will focus on SVHC that are mandated to be phased out; referencing to the other question on SVHC will be included.</p>