

Trustee—Role Specification

Introduction

The IFRS Foundation (Foundation) is a not-for-profit organisation created in 2001 to develop—in the public interest—high-quality, understandable, enforceable and globally accepted standards for general purpose financial reporting, and to promote and facilitate their adoption.

The IFRS Foundation Trustees oversee the Foundation and its two standard-setting boards: the International Accounting Standards Board (IASB), which sets IFRS® Accounting Standards, and the International Sustainability Standards Board (ISSB), which sets IFRS® Sustainability Disclosure Standards. The Trustees themselves are accountable to a Monitoring Board of capital market authorities.

Purpose and main responsibilities of the role

To serve on the governance body of the IFRS Foundation. The Trustees' main responsibilities include:

- Oversight of the organisation in the public interest, and in particular the work of the IASB and the ISSB;
- The strategic direction of the organisation;
- Establishing and amending operating procedures, consultative arrangements and due process for the IASB and the ISSB, the IFRS Interpretations Committee and the IFRS Advisory Council;
- Appointments to the IASB, the ISSB, the IFRS Interpretations Committee and the IFRS Advisory Council;
- Ensuring the financing of the organisation and approving its budget;
- Representing the IFRS Foundation in engagement with key global stakeholders;
- Serving as directors of the IFRS Foundation.

Requirements

Trustees should have a strong understanding of the role that accounting and sustainability disclosure standards play in the functioning of the world's capital markets and by other users, ideally with a government, regulatory, business or professional background, or have experience in an organisation with an interest in corporate reporting. They should demonstrate a firm commitment to serving the public interest, and to publicly advocate the work of the IFRS Foundation the IASB and the ISSB as high-quality global standard-setters. They should have strong connectivity with the markets in their regional jurisdiction, be financially knowledgeable and be able to meet the time commitment which is referred to below. They will also be expected to contribute to committees and taskforces set up to support the Trustees' strategies and governance. Trustees should also have an understanding of, and be sensitive to, the various challenges associated with the adoption and application of high-quality global accounting and sustainability disclosure standards developed for use in the world's capital markets and by other users as well as to current issues such as the impact of new technologies on corporate reporting and changes in investors' and markets' expectations.

The mix of Trustees should broadly reflect the world's capital markets, and, apart from the geographical formula for representation, should come from a diversity of backgrounds reflecting the many IFRS Foundation stakeholders. The Trustees shall be required to commit themselves formally to acting in the public interest in all matters.

Time Commitment

Trustees are expected to take part in three face to face meetings per year equating to approximately 12 days including travel. They participate in meetings of the Trustee sub-committees they are assigned to, which also meet on an ad hoc basis throughout the year, in person and via video. Trustees are also expected to engage with stakeholders and the markets within their jurisdiction.

Duties as detailed in the IFRS Foundation Constitution

The Trustees shall:

- (a) assume responsibility for establishing and maintaining appropriate financing arrangements;
- (b) establish or amend operating procedures for the Trustees;
- (c) determine the legal entity under which the IFRS Foundation shall operate, provided always that such legal entity shall be a foundation or other body corporate conferring limited liability on its members and that the legal documents establishing such legal entity shall incorporate provisions to achieve the same requirements as the provisions contained in this *Constitution*;
- (d) review in due course the location of the IFRS Foundation, as regards both its legal base and its operating location(s);
- (e) investigate the possibility of seeking charitable or similar status for the IFRS Foundation in those countries where such status would assist fundraising;
- (f) open their meetings to the public but may, at their discretion, hold certain discussions (normally only about selection, appointment and other personnel issues, and funding) in private; and
- (g) publish an annual report on the IFRS Foundation's activities, including audited financial statements and priorities for the coming year.

In addition to the duties set out above, the Trustees shall:

- (a) appoint the members of the IASB and the ISSB and establish their contracts of service and performance criteria;
- (b) appoint the Executive Director, in consultation with the Chairs of the IASB and the ISSB, and establish his or her contract of service and performance criteria;
- (c) appoint the members of the IFRS Interpretations Committee (the Interpretations Committee) and the IFRS Advisory Council (the Advisory Council);
- (d) review annually the strategy of the IFRS Foundation, the IASB and the ISSB and its effectiveness, including consideration, but not determination, of the agendas of the IASB and the ISSB and the effectiveness of the coordination between the IASB and the ISSB in ensuring the compatibility of their respective standards;
- (e) approve annually the budget of the IFRS Foundation and determine the basis for funding;
- (f) review broad strategic issues affecting corporate reporting, promote the IFRS Foundation and its work and promote the objective of rigorous application of IFRS Standards, provided that the Trustees shall be excluded from involvement in technical matters relating to IFRS standards;
- (g) establish and amend operating procedures, consultative arrangements and due process for the IASB and the ISSB, the Interpretations Committee and the Advisory Council;
- (h) review compliance with the operating procedures, consultative arrangements and due process as described in (g);
- (i) approve amendments to this *Constitution* after following a due process, including consultation with the Advisory Council and publication of an Exposure Draft for public comment and subject to the voting requirements given in section 15;
- (j) exercise all powers of the IFRS Foundation except for those expressly reserved to the IASB and the ISSB, the Interpretations Committee and the Advisory Council; and
- (k) foster and review the development of educational programmes and materials that are consistent with the IFRS Foundation's objectives.