



Terms of Reference

Corporate Reporting Users' Forum

1. Terms of Reference

This document sets out the Terms of Reference (ToR) for the Corporate Reporting Users' Forum (CRUF).

The ToR for the CRUF has been prepared by the Secretariat in discussion with the global CRUF chairs. This document is reviewed and agreed annually by the CRUF chairs at the first global CRUF chair call of each year.

This ToR was last updated on 17 August 2021.

2. About

Background

The CRUF is a discussion forum established in 2005. It was set up by users of financial reports to be an open forum for learning about and responding to the many accounting and regulatory changes that affect corporate reporting. In particular, participants in CRUF are keen to have a fuller input into the deliberations of accounting standard setters and regulators.

As the information used by the investment community in informing investment decisions and analysis evolves over time, the CRUF's areas of focus also evolve but are always aligned with the Mission described in the ToR.

Characteristics, skills and experience of CRUF participants

CRUF participants are users of published corporate information. CRUF participants include buy and sell-side analysts, credit ratings analysts, fund managers, investors and corporate governance professionals. Participants focus on equity and fixed income markets and are individuals with global or regional responsibilities.

Organisational structure



The CRUF is a discussion forum for interested participants. As of the date of the ToR, it is represented by participants located in Australia, Canada, France, Germany, Hong Kong, India, Japan, New Zealand, South Africa, UK and USA.

The CRUF can create specialist subgroups or regional groups that focus on specific topic areas or jurisdictional matters. As of the date of this ToR, the CRUF's subgroups include: Insurance, Banking and Environmental, Social and Governance (ESG). Individuals involved in subgroups must have the characteristics, skills and experience required of CRUF participants and they may or may not be involved in a territory CRUF.

3. Mission

The CRUF's mission is to keep users at the heart of the evolution of the corporate reporting model. It does this by articulating users' views on matters affecting published corporate information that are potentially material to valuation or making investment decisions.

CRUF has developed a set of [Guiding Principles](#), which are on the CRUF website. The strategic areas of focus of the CRUF are discussed each year by the global chairs.

4. Participation

The CRUF is not a membership-based organisation, there are no joining fees and participation is voluntary. CRUF participation is driven by inclusion on a CRUF mailing list (either territory or specialist subgroup). The CRUF mailing list is maintained by the Secretariat; it is a confidential list that is not shared with third parties. CRUF participants can ask to be removed from the mailing list at any time by emailing the CRUF Secretariat or contacting their relevant chair. Inclusion on only the CRUF newsletter mailing list does not indicate that the individual is a participant in the CRUF.

CRUF participants participate as individuals and not as representatives of their employer or other organisations they are members of or are affiliated with.

A CRUF chair (or co-chair if applicable) may determine that it is appropriate to remove a CRUF participant from the CRUF mailing list. This may happen, for example, if a CRUF participant's role changes and they are no longer a user of corporate reporting or if their conduct is not acceptable (see 'Culture, behaviour and conduct' section). This is also the case for a CRUF chair, in which case another CRUF participant can raise it with the Secretariat, who will canvas other participants' views. If the concern is shared more widely, the Secretariat may ask the chair to step down or, if deemed appropriate, remove them from the CRUF mailing list.



If, due to their role outside of CRUF, a participant has an actual or potential conflict of interest on a particular topic or consultation being discussed, this must be declared by the participant at the beginning of the CRUF meeting at which that topic or consultation is being discussed. This is a standing agenda item to be raised by the chair at all CRUF meetings. Should a conflict of interest be identified or declared, the particular participant will be removed from the mailing list while there is any communication relating to that topic or consultation. The temporary removal from the mailing list as a consequence of a conflict of interest does not affect the individual's status as a CRUF participant.

5. Meetings

Each country or subgroup organises their own CRUF network and meetings. CRUF participants meet regularly and the frequency of meetings is determined locally. The meetings often centre around giving feedback, as users of corporate reporting, to standard setters and regulators during their outreach activities. As such, standard setters, regulators or other bodies typically attend CRUF meetings. The Secretariat also attends CRUF meetings to take minutes and provide technical educational information when requested.

The agenda for each meeting is set by the CRUF chair in consultation with the Secretariat and in some cases with other CRUF participants. The agenda is typically driven by standard setter and regulator outreach activities and consultations.

Meetings are generally held in person, although remote participation (e.g. phone and video conferencing) capabilities are provided. Given the use of remote participation capabilities, territory CRUF meetings are sometimes attended by CRUF participants in other territories. The minimum number of CRUF attendees for a meeting to proceed is determined on a case-by-case basis by the chair.

Different individuals take leadership in discussions on different topics, depending on their area of interest or expertise. In the meetings, the CRUF seeks to explore and understand the differences of opinions of participants. The CRUF does not seek to achieve consensus views, but instead focuses on why reasonable participants can have different positions.

Views expressed by CRUF participants during CRUF meetings are not to be publicly attributed to individual CRUF participants, either directly or through implication. However, the identity of CRUF participants in attendance at a CRUF meeting is noted in the meeting minutes.

CRUF participants may in some cases be able to obtain continuing professional development credit for attending meetings.



6. Culture, behaviour and conduct

The CRUF is an active and inclusive discussion forum and welcomes a range of views on any topic, whether as a representation in a comment letter or in meetings. The CRUF also prides itself on having a collaborative and collegiate operating environment. Even if lively, the CRUF has a respectful debate and those who are disrespectful or who seek to undermine or call into question the credibility of other CRUF participants or a CRUF representation will be removed from the CRUF mailing list in consultation with the relevant CRUF chair. If a CRUF chair demonstrates such behaviour, another CRUF participant can raise it with the Secretariat, who will canvas other participants' views. If the concern is shared more widely, the Secretariat may remove the chair from the CRUF mailing list.

CRUF is committed to maintaining an operating environment that is free from discrimination, victimisation, harassment and bullying. Any such behaviour towards CRUF participants or the Secretariat will not be tolerated and will result in the participant being removed from the CRUF mailing list.

7. Comment letters

The CRUF regularly provides formal written feedback, as users of corporate reporting, to standard setters, regulators and policy makers around the world. The Secretariat monitors when those bodies have open consultations that may be relevant to the CRUF network globally, regionally, within a particular country or about a specific topic relevant to a subgroup. The Secretariat shares an up-to-date consultation schedule at meetings, in monthly newsletters and on social media. The CRUF decides whether it will respond to a particular consultation.

Different individuals take leadership in the drafting of representations, depending on their area of interest or expertise. As with meetings (see 'Meetings' section), the CRUF seeks to explore and understand the differences of opinions of participants when drafting comment letters. The CRUF does not seek to achieve consensus views, but instead focuses on why reasonable participants can have different positions. Comment letters are therefore often a summary of the range of opinions discussed at CRUF territory or subgroup meetings or otherwise expressed by CRUF participants as they input into the comment letter. Differences of opinion are noted where applicable.

CRUF participants take part in joint representations as individuals, not as representatives of their employer or other organisations they are a member of or associated with. Accordingly, they sign letters in their individual capacity as participants of the CRUF and not as representatives of their respective employers or other organisations.



Some employers of CRUF participants do not allow their employees to be signatories of CRUF representations, often for compliance reasons. Accordingly, it would not be correct to assume that all individuals who do not sign a particular comment letter disagree with its contents.

The detailed process for developing and submitting a comment letter on behalf of the CRUF is set out in Appendix 1.

8. Role and responsibilities of a CRUF chair

CRUF chairs play an important role in ensuring the smooth functioning of the CRUF network. Some territories and subgroups have a fixed chair for a period of time, whereas others have co-chairs that share the responsibilities, and others have a chair that rotates for each meeting. This section applies to all types of CRUF chair.

The global CRUF chairs as of the date of this ToR are listed in Appendix 2.

Characteristics, skills and experience

A CRUF chair (or co-chair or rotating chair) is a CRUF participant who works in the investment industry, usually as a fund manager or analyst. Because CRUF is a forum of users of corporate reports, it is important that the chair actively uses corporate reports in their job. A CRUF chair must meet the characteristics, skills and experience of a CRUF participant as described in the 'About' section of the ToR.

Although the CRUF chair (and all participants) do not need to have a detailed understanding of all of the issues discussed, they must be sufficiently informed (or keen to learn) about and interested in them for the discussion to be effective. A chair also is expected to have an idea of what issues are of interest to the investment community to help in setting meeting agendas.

A CRUF chair is expected to have sufficient time to be able to dedicate to being an effective chair and fulfil the responsibilities listed in this section.

Culture, behaviour and conduct

The CRUF has built a reputation of being able to provide constructive and informed views of members of the investment community. The CRUF has a culture of inclusiveness and openness and it is important that the chair ensures that participants feel that their opinions count. A chair therefore must be open to hearing and soliciting a wide range of reasonable views and opinions in meetings and in comment letters. See also the 'Culture, behaviour and conduct' section of the ToR.



Appointment

The CRUF is not an official body so there is no formal appointment or election process for selecting a chair. The chair for a territory or subgroup is selected on the basis of their interest in being chair, and their ability to take the time to fulfil the role and meet the characteristics, skills and experience detailed in this section and in the 'About' section.

If there is a vacancy for a CRUF chair in a territory or subgroup, the role is made known to the relevant CRUF participants and any CRUF participant can put themselves forward to the Secretariat. The candidate(s) will be put to the relevant CRUF network (territory or subgroup) for comments and agreement.

Term

There is no fixed term for a CRUF chair.

Resignation

The role of the CRUF chair is a voluntary position and the chair can step down at any time.

A CRUF chair may be asked to step down as chair or, if deemed appropriate, removed from the CRUF mailing list if, for example, they no longer meet the required characteristics, skills and experience as described in the ToR, they no longer have sufficient time to dedicate to being an effective chair or if their conduct is not acceptable (see the 'Culture, behaviour and conduct' section).

Responsibilities and activities

A CRUF chair helps to identify relevant topics for discussion, facilitates discussion in CRUF meetings, ensures that all reasonable views and opinions are heard and people with different views are allowed to express them in a constructive discussion. The chair also helps to assess (or get participant input to assess) whether CRUF should comment on an issue, either in a territory or globally or for a relevant subgroup.

The time commitment is not much greater than for other CRUF participants, but would also include spending time with the Secretariat for setting meeting agendas, reviewing meeting minutes and participating in ad-hoc meetings.

Specifically, a CRUF chair:

- works with the Secretariat and ultimately determines what topics should be put on the agenda for CRUF meetings, and the timing to be allocated for each
- works with the Secretariat to ensure that meeting minutes are documented and reviewed and agreed actions followed up
- attends meetings as often as possible. If the chair cannot attend a meeting, another participant will be asked to chair
- facilitates meetings, ensuring that discussion on agenda items is on topic, productive and professional. The chair ensures that all participants have the opportunity to express their views and opinions, encourages comments and ideas, keeps the meeting to time and ensures all participants act in accordance with the culture, behaviour and conduct described in the ToR
- summarises and collates the views expressed by the various participants at the meeting
- does not try to force their own view or try to force consensus around the table. Equally, the chair is not dismissive of others' views. However, they should try to reconcile the different views expressed and understand the reasons for the differences
- suggests ways to improve the efficiency and effectiveness of CRUF meetings, interactions with stakeholders and the service provided by the Secretariat
- helps increase participation in CRUF by raising awareness of CRUF activities within the investment community
- approves new CRUF participants to their respective CRUF territory or subgroup and therefore their addition to the CRUF mailing list
- endeavours to participate in global CRUF chair calls and agrees to chair them on a rotating basis
- attends meetings and events and speaks at conferences on behalf of CRUF to share CRUF views with those in attendance. Where relevant this may involve gathering the views of other CRUF participants to share at the meeting, event or conference
- provides strategic direction to the CRUF and helps develop priorities, along with the other global CRUF chairs
- reviews the Terms of Reference annually and raises any matters that might require revision with the other global CRUF chairs.

9. Role and responsibilities of the CRUF Secretariat

The CRUF Secretariat provides administrative support to the CRUF territories and subgroups.

The Secretariat has the following responsibilities.

General



- provides technical and educational information when requested by the CRUF
- liaises with relevant standard setters, regulators, policy makers and other organisations that CRUF engages with to facilitate their attendance at CRUF meetings

Mailing list

- maintains the CRUF mailing lists
- acts under the instruction of the relevant CRUF chair to add or remove participants from the mailing list (e.g. when somebody wants to join CRUF)

Meetings

- supports CRUF chairs in setting the agenda for CRUF meetings, including the global Chair calls
- sets dates and times for meetings in agreement with the chair
- circulates meeting agendas and materials
- organises for speakers from standard setters, regulators, policy makers and other organisations to present at CRUF meetings
- provides meeting facilities (including a meeting room, conference facilities and refreshments)
- takes minutes at CRUF meetings and follows up on actions arising from the meeting

Comment letters

- monitors standard setter, regulator and other policy maker activity for consultations on corporate reporting, regulation and governance that CRUF may wish to respond to
- project manages the comment letter process (see 'Comment letters' section and Appendix 1)

Newsletter, website and social media

- compiles and distributes the CRUF newsletter
- maintains the CRUF website (www.cruf.com) and the CRUF LinkedIn page (www.linkedin.com/company/cruf)
- liaises with potential authors of blogs or other content for the CRUF website or social media channels
- works with CRUF chairs and other participants to develop content (e.g. videos, Quick Wins) for the CRUF website or social media channels



The Secretariat may occasionally carry out perception studies of CRUF participants to assess what they think works well and where improvements could be made. The cost of such studies is borne by the Secretariat and the results shared with the CRUF chairs, who then may decide to share them with their respective CRUF groups.

Costs in relation to meetings or events held at the offices of the Secretariat are paid for by the Secretariat. The Secretariat also pays to maintain the CRUF website and social media channels and to prepare marketing and communication resources (e.g. videos, publications).

The Secretariat can resign at any time by giving written notice to the global CRUF chairs. The Secretariat will give sufficient notice (not less than 3 months) so that the CRUF chairs can find a replacement if desired. The Secretariat can be replaced at any time by majority agreement of the global CRUF chairs. The Secretariat will remain in place for a reasonable amount of time (at least 3 months) to allow an orderly transition to a new Secretariat.

The CRUF Secretariat contact details are in Appendix 3.



Appendix 1: Comment letter process

The process for developing and submitting a comment letter representation on behalf of the CRUF is set out below.

1. The CRUF Secretariat provides the CRUF comment letter template to the CRUF participant(s) who has volunteered to draft the letter. The template consists of:
 - a. the CRUF logo;
 - b. address details of the organisation that the CRUF comment letter is responding to;
 - c. an introductory note that refers to the consultation and notes which CRUF group is responding (if not global);
 - d. space to respond to each of the questions included in the particular consultation;
and
 - e. the 'About the CRUF' section, which explains who and what the CRUF are.
2. The CRUF participant drafting the comment letter fills in the template. In some cases, CRUF participants will work together as a working group to draft a representation.
3. After the draft is completed by the CRUF participant or working group, the CRUF Secretariat reviews the draft letter for readability and highlights any technical matters that may need addressing (e.g. terminology clarifications). Those suggested edits are sent back to the CRUF participant or working group for review and approval.
4. The CRUF Secretariat sends the updated draft letter to the relevant CRUF network (e.g. global, territory or subgroup) for review, requesting any comments or suggested edits. If a letter is initiated by a subgroup, it is shared with the global CRUF network for input.
5. Any comments or suggested edits received by the CRUF Secretariat are shared with the writer(s) so they can incorporate them into the letter, where appropriate. The writer(s) will ensure that the views of those who participated in the meeting at which the relevant consultation was discussed are prioritised. If there is any conflict in opinions, the CRUF Secretariat will put the relevant parties in touch to discuss it in more detail.
6. If opinions vary significantly (for example because of local country or role differences), the letter will reflect those differences and the rationale for them rather than trying to achieve consensus.



7. The CRUF Secretariat will send the updated (final) draft to the relevant CRUF network and ask for signatures of those participants who want to sign the letter.
8. Once all signatures have been collated, the CRUF Secretariat will send the final version to the CRUF writer(s) so they can do a final review and then send it to the organisation seeking feedback.
9. Once the letter has been submitted, the CRUF Secretariat will arrange for the CRUF comment letter to be posted as a PDF on the [CRUF website](#).

Appendix 2: Global CRUF chairs

Name	Territory / subgroup
Jeremy Stuber	UK
Todd Castagno	USA
Goro Kumagai	Japan
Kevin Harding	South Africa
Robert Morgan	Canada
Rajesh Sehgal	India
Dr Lothar Weniger	Germany
Tanya Branwhite	Australia and New Zealand
Prof. Dr. Ralf Frank Charles Henderson (co-chairs)	ESG subgroup
Rotating chair	Insurance subgroup
Rotating chair	Banking subgroup



Appendix 3: CRUF Secretariat details

As of the date of this ToR, PwC (the PwC network and/or one or more of its member firms) is the Secretariat for the CRUF globally.

CRUF Secretariat can be contacted at cruf_secretariat@pwc.com.