

Transition Implementation Group for IFRS S1 and IFRS S2 (TIG)

Draft Terms of Reference

1. The Transition Implementation Group for IFRS S1 and IFRS S2 (TIG) is a group of nominated members:
 - (a) with expertise relating to the preparation of sustainability-related information for users of general purpose financial reports; and
 - (b) that will be involved in the implementation of IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures*.

2. This document sets out the TIG's terms of reference.

Objectives of the TIG

3. The International Sustainability Standards Board (ISSB) was established to develop a comprehensive global baseline of sustainability disclosures for the capital markets. IFRS S1 and IFRS S2 are the first two IFRS Sustainability Disclosure Standards developed by the ISSB. The ISSB will support implementation of IFRS S1 and IFRS S2 through a variety of activities—including the TIG.
4. The purpose of the TIG is to:
 - (a) provide a public forum for the discussion of implementation questions (refer to paragraph 19 for details regarding the submission of questions).
 - (b) inform the ISSB to determine what, if any, action will be needed to address those questions. Possible actions include providing supporting materials such as webinars, case studies, and/or referral to the ISSB.
5. Implementation questions discussed by the group should meet the following criteria:
 - (a) must be related to, or arise from, the implementation of IFRS S1 and/or IFRS S2;
 - (b) may result in possible diversity in practice; and

- (c) are expected to be pervasive, that is, relevant to a wide group of stakeholders.
6. The TIG will not issue any authoritative guidance.

Organisational structure

Membership

7. The membership of the TIG shall comprise approximately 15 members and three observers. The IFRS Foundation shall assign some ISSB members to attend TIG meetings, one of whom shall be the Chair of the group.
8. The TIG shall include members from the preparer community that are engaged in sustainability reporting as well as assurance providers that are also engaged in the implementation of IFRS S1 and IFRS S2. The questions considered will address application of the requirements as set out in the Standards so members of the group are expected to have a high level of familiarity with the Standards and to be capable of discussing the Standards in detail. The membership overall shall reflect a diverse mix of members from a broad spread of geographies, company sizes and industries.
9. The ISSB may, at its discretion, invite individual(s) or representative(s) of an organisation to attend and participate in a specific meeting in which their contribution is considered to be useful to the topic under discussion. In this capacity, they participate in the TIG discussions on the same basis as members and observers.
10. The TIG is being established with the objective of supporting the initial implementation of IFRS S1 and IFRS S2. If the TIG remains in place after two years, there will be an assessment prior to the end of such period of the composition of the group to ensure it remains fit for purpose. In the event of any changes in composition, the IFRS Foundation will consider nominations, including self-nominations, re-appointments and select members or observers, following a call for candidates on the IFRS Foundation's website. Any changes to the composition of the group will be subject to IFRS Foundation approval.
11. Members and observers are appointed in an individual capacity and at meetings or conference calls members are expected to express their individual views, unless it is explicitly stated that they are the opinions of the organisations they represent. Because members serve in a personal capacity, substitutions are not accepted.

12. Members and observers are expected to be able to consider different perspectives and to participate in a free exchange of ideas in a constructive manner.
13. Members and observers are expected to make reasonable efforts to attend all meetings and conference calls and to read the preparatory papers. The IFRS Foundation reserves the right to ask members to resign where it is considered that a member does not contribute actively to the objectives of the TIG.

Meetings

14. During meetings, members and observers will be expected to share their own views on the questions submitted. In reaching their own view, members and observers will be expected to discuss the questions submitted with other relevant stakeholders in their jurisdiction or industry.
15. The TIG will be called to meet as needed, depending upon the volume and complexity of the implementation questions raised and the expected duration of these meetings is between one and two days. Additional meetings and/or conference calls may be scheduled or meetings may be shortened or cancelled.
16. Assigned ISSB members and IFRS Foundation staff, TIG members and observers may sit at the table and participate in the discussion at meetings.
17. Meetings will be held at an IFRS Foundation office, with an option to participate virtually, and will be conducted in English. Members and observers of the TIG shall serve on a voluntary, unpaid basis. Travel and accommodation costs of attending the meetings shall be borne by the members or observers attending the meeting.
18. Members and observers are encouraged to attend all in-person meetings in person. If attendance in person is not possible, members may attend using teleconferencing, videoconferencing or any other electronic means. The TIG may also conduct fully virtual meetings.
19. Any individual can submit a potential implementation question via the IFRS Foundation website for discussion at TIG meetings, based on the submission criteria (refer to paragraph 5). Submissions are not limited to TIG members and observers. Submitters are not identified. The IFRS Foundation staff will evaluate each submission, prioritise the issues for discussion at a TIG meeting and set the meeting

agendas. Some of the submissions received may be better addressed through other means, for example, webinars.

20. Supporting papers for the meetings will be prepared by the IFRS Foundation staff. The agenda and supporting papers will be available in advance of the meetings so that TIG members are fully prepared and capable of actively and constructively participating in all of the TIG's discussions.
21. Administrative support for the meetings, as well as maintaining the minutes, is the responsibility of designated members of the IFRS Foundation staff.

Communication

22. All meetings of the TIG will be in public and webcast, except for administrative items, which are dealt with in closed sessions. Any individuals or members of the public may register as observers in advance of the meeting.
23. Meeting agenda and supporting papers will be posted on the IFRS Foundation webpage in advance of each meeting. A recording of the meeting will also be made available.