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## IFRS Foundation Trustees—Due Process Oversight Committee

Date **17 July 2023**

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This document reports on a meeting of the Trustees of the IFRS Foundation, the oversight body of the International Accounting Standards Board (IASB) and the International Sustainability Standards Board (ISSB). The Trustees are responsible for governance of the IFRS Foundation and for delivery of the IFRS Foundation's objectives as set out in the IFRS Foundation *Constitution*.

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### Introduction

The IFRS Foundation Due Process Oversight Committee (DPOC) [met on 17 July by video conference](#). The meeting was webcast live and a [recording of the meeting](#) is available on the IFRS Foundation website.

The main matters discussed were as follows.

### IFRS Taxonomy Consultative Group

The DPOC reviewed the proposed composition of the IFRS Taxonomy Consultative Group (ITCG) as a result of new appointments and reappointments to the ITCG recently approved by the IASB and the ISSB, following a call for members in April and May. The ITCG's remit has been extended so that from 1 August 2023 it will advise both boards on their respective taxonomy related activities.

The DPOC was satisfied that the proposed appointments would achieve an appropriate balance of perspectives on the ITCG, including geographical balance. It noted that five of the members or their organisations currently serving on the SASB Taxonomy Review Committee would be represented on the ITCG. It encouraged the staff and Board members to continue in their ongoing efforts to attract preparers that are responsible for digitalising their own financial reports and investors to apply to serve on the ITCG, including by clearly communicating how representation from each of the stakeholder groups contributes to the ITCG's and the Boards' work. The DPOC noted that the Boards had been mindful of the gender balance of the proposed ITCG, while seeking to appoint the most suitable candidates for its work. It also noted that the gender balance of the appointments was estimated to be better than the pool of applicants.

### Correspondence

The DPOC Chair noted a letter that had been received from two organisations expressing some concerns about Agenda Decisions published by the IFRS Interpretations Committee, including expressing the view that they risk eroding the IASB's principles-based system and that they place an increasing burden on stakeholders to remain updated. The IASB Chair has engaged with one of the signatories to the letter and there are plans to visit the stakeholders to discuss their concerns and the work of the Interpretations Committee.

The letter does not allege any breach of due process, and therefore is not being dealt with by applying the DPOC's Protocol in the *Due Process Handbook* for dealing with such matters. The DPOC Chair had discussed the letter with the IASB leadership and the Chair of the IFRS Interpretations Committee and a formal response would shortly be sent. It was noted that the DPOC had made some important enhancements to the *Due Process Handbook* in 2020 relating to Agenda Decisions following a public consultation. However, there may be aspects of the due process that could potentially be examined in the planned review of the *Handbook* if any suggestions for improvement are identified.

The DPOC noted that no other correspondence had been received that required its attention.