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## ISSB meeting

Date	<b>November 2023</b>
Project	<b>ISSB Consultation on Agenda Priorities</b>
Topic	<b>Feedback summary—Cover paper and overview</b>
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This paper has been prepared for discussion at a public meeting of the International Sustainability Standards Board (ISSB). This paper does not represent the views of the ISSB or any individual ISSB member. Any comments in the paper do not purport to set out what would be an acceptable or unacceptable application of IFRS<sup>®</sup> Sustainability Disclosure Standards. The ISSB's technical decisions are made in public and are reported in the ISSB Update.

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## Objective

1. The purpose of this meeting is to provide the International Sustainability Standards Board (ISSB) with a summary of the feedback on the ISSB's Request for Information [\*Consultation on Agenda Priorities\*](#) (Request for Information).
2. The agenda papers for this meeting provide a high-level summary of the feedback received on the Request for Information. The staff will continue to analyse the feedback in order to develop recommendations for the ISSB's next two-year work plan. While all feedback will be considered in the analysis, the staff's analysis and the resulting recommendations the staff will bring to the ISSB will be rooted in the ISSB's mission to further the global baseline of sustainability-related financial disclosures that provide decision-useful information about all sustainability-related risks and opportunities that could reasonably be expected to affect an entity's cash flows, its access to finance or cost of capital over the short, medium or long term.
3. The purpose of this paper is to provide the ISSB with an overview of:
  - (a) the agenda papers prepared for this meeting;
  - (b) the key messages from the feedback received on the Request for Information;and

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- (c) the responses to the Request for Information, including number of responses, stakeholder types and geographic regions.

## Structure of the paper

- 4. This paper is structured as follows:
  - (a) Background (paragraphs 5–10);
  - (b) Agenda papers for this meeting (paragraphs 11–14);
  - (c) Quantifying the feedback received (paragraphs 15–17);
  - (d) Summary of key messages (paragraphs 18–29);
  - (e) Responses to the Request for Information by stakeholder type and geographic region (paragraphs 30–32);
  - (f) Next steps (paragraphs 33–35);
  - (g) Question for the ISSB (paragraph 36); and
  - (h) Appendix A—Feedback on Question 8 of the Request for Information

## Background

- 5. The ISSB has undertaken a public consultation on its agenda priorities (agenda consultation) to inform its work plan for the two-year period following the consultation. The ISSB published the Request for Information in May 2023, and it was open for comments for 120 days. The comment period ended on 1 September 2023.
- 6. The objective of the agenda consultation is to ask all those interested in sustainability-related financial reporting for their views on:
  - (a) the strategic direction and balance of the ISSB’s activities;

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- (b) the suitability of criteria for assessing which sustainability-related matters (including topics, industries and activities) to prioritise and add to the ISSB's work plan; and
  - (c) a proposed list of new research and standard-setting projects that could be added to the ISSB's work plan.
7. The Request for Information sought stakeholder feedback on four proposed research projects which could be added to the ISSB's next two-year work plan:
- (a) three research projects on sustainability-related risks and opportunities associated with the topics of:
    - (i) biodiversity, ecosystems and ecosystem services (BEES);
    - (ii) human capital; and
    - (iii) human rights; and
  - (b) one research project on integration in reporting to explore how to integrate information in financial reporting beyond the requirements related to connected information in IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures*.
8. The Request for Information included eight questions:
- (a) Question 1—Strategic direction and balance of the ISSB's activities;
  - (b) Question 2—Criteria for assessing sustainability reporting matters that could be added to the ISSB's work plan;
  - (c) Question 3—New research and standard-setting projects that could be added to the ISSB's work plan;
  - (d) Question 4—New research and standard-setting projects that could be added to the ISSB's work plan: Biodiversity, ecosystems and ecosystem services;
  - (e) Question 5—New research and standard-setting projects that could be added to the ISSB's work plan: Human capital;

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- (f) Question 6—New research and standard-setting projects that could be added to the ISSB’s work plan: Human rights
  - (g) Question 7—New research and standard-setting projects that could be added to the ISSB’s work plan: Integration in reporting
  - (h) Question 8—Other comments
9. Stakeholders could respond to the Request for Information by submitting a comment letter or using the online survey.
10. During the comment period, ISSB members and technical staff conducted extensive outreach with a broad range of over 2,700 stakeholders across many jurisdictions to provide necessary context for and encourage response to the Request for Information. ISSB members and technical staff also met with the ISSB’s advisory bodies and standing consultative groups to discuss the Request for Information, including the IFRS Advisory Council, the Sustainability Standards Advisory Forum, the Sustainability Consultative Committee, the ISSB Investor Advisory Group, the Technical Reference Group and the IFRS Foundation Trustees.

## **Agenda papers for this meeting**

11. The following Agenda Papers have been prepared for this meeting:
- (a) Agenda Paper 2A—Feedback summary—Strategic direction and balance of the ISSB's activities;
  - (b) Agenda Paper 2B—Feedback summary—Criteria for assessing the priority of projects to be added to the ISSB’s work plan;
  - (c) Agenda Paper 2C—Feedback summary—Priority of proposed projects; and
  - (d) Agenda Paper 2D—Feedback summary—Proposed projects on sustainability-related risks and opportunities.
12. The agenda papers prepared for this meeting summarise the responses to the questions included in the Request for Information (see paragraph 8), with the exception of

Question 7 of the Request for Information, which sought feedback on the proposed research project on integration in reporting. As the feedback on the proposed research project on integration in reporting is of interest to both the ISSB and IASB, detailed feedback on this project will be presented to the ISSB and IASB for joint discussion by the Boards at a future meeting and is not included in the papers for this meeting.

13. A summary of responses to Question 8, which asked if respondents had any other comments on the ISSB’s activities or work plan are included in Appendix A to this paper.
14. During this meeting, the ISSB will discuss each Agenda Paper in turn. The staff is not asking the ISSB to make decisions during this meeting. However, in each paper, ISSB members are asked to comment on the feedback.

### Quantifying the feedback received

15. This paper and Agenda Papers 2A–2D for this meeting use the following terms to describe the extent to which feedback was provided by respondents (Table 1):

Term	Extent of response among respondents
Almost All	All except a very small minority
Most	A large majority, with more than a few exceptions
Many	A small majority or large minority
Some	A small minority, but more than a few
A few	A very small minority

**Table 1—Terminology used to quantify feedback**

16. This paper and Agenda Papers 2A–2D for this meeting use the term ‘respondents’ to refer to stakeholders who submitted comment letters or filled out a survey.
17. Respondents did not always comment on every question in the Request for Information. Consequently, we have used the terms listed in Table 1 to describe the

proportion of the respondents that commented on a particular question/topic. This is not necessarily a proportion of all respondents.

## Summary of key messages

### ***Strategic direction and balance of the ISSB's activities (Agenda Paper 2A)***

18. Most respondents were supportive of the scope of activities presented within the Request for Information. Among those activities, most respondents viewed 'supporting the implementation of IFRS S1 and IFRS S2' as the highest priority and highlighted the importance of this activity in supporting the ISSB's mission to deliver the comprehensive global baseline of sustainability-related financial disclosures.
19. Respondents had mixed views in regard to the relative prioritization of the ISSB's other activities (ie, other than supporting the implementation of ISSB Standards); however, many acknowledged the interrelated nature of the activities as and noted the importance of all activities in supporting the global baseline.
20. Many respondents commented on the importance of ensuring the interoperability of the ISSB Standards with other jurisdictional and voluntary sustainability standards and frameworks and encouraged the ISSB to work closely with other standard setters and framework providers as part of its interoperability efforts.
21. Some respondents called for the ISSB to more clearly articulate and define a longer-term strategic vision of the future of the ISSB Standards.

### ***Criteria for assessing the priority of financial reporting issues that could be added to the ISSB's work plan (Agenda Paper 2B)***

22. Most respondents provided feedback on Question 2 of the Request for Information, which asked about the criteria the ISSB proposed to use when prioritising matters that could be added to its work plan. Almost all of them agreed with the appropriateness of the identified criteria. A few respondents did not agree with the suggested criteria.

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23. Despite general agreement with the proposed criteria, many respondents suggested amendments or additions to the criteria to consider topics including, among others, interoperability of ISSB Standards with other sustainability-related standards and frameworks, ‘double’ or ‘impact’ materiality, global applicability of ISSB Standards, and connectivity with the International Accounting Standards Board (IASB).

### ***Proposed projects that could be added to the ISSB’s work plan***

#### *Priority of proposed projects (Agenda Paper 2C)*

24. Almost all respondents provided feedback on Question 3 of the Request for Information; however, there were mixed views as to whether the ISSB should prioritise a single project in a concentrated effort to make significant progress on that project, or prioritise multiple projects and make more incremental progress on each of them. Some respondents emphasised the need to quickly advance multiple projects to further the establishment of the global baseline of sustainability-related financial disclosures on a range of sustainability topics, while others noted the ISSB should progress its work more slowly or intentionally citing the ISSB’s limited capacity and the desire to allow for sufficient time for the implementation and maturity of IFRS S1 and IFRS S2.
25. There were also mixed views among respondents on the particular project or set of projects that the ISSB should prioritise. Most respondents supported the ISSB prioritising at least one of the proposed projects identified in Appendix A to the Request for Information, but views on the relative priority of each of the projects were mixed. Further, a few respondents suggested revisions to the scope of some of the proposed projects.
26. A few respondents recommended the ISSB pursue projects that were not included as proposed projects in the Request for Information.

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*Feedback on proposed projects on sustainability-related risks and opportunities  
(Agenda Paper 2D)*

27. Respondents to the Request for Information were generally supportive of the ISSB pursuing research projects on sustainability-related risks and opportunities related to BEES, human capital and human rights.
28. Common themes emerged from the feedback across BEES, human capital, and human rights topics:
  - (a) most respondents said the ISSB should approach each of the topics holistically, rather than prioritising subtopics;
  - (b) most viewed the sustainability-related risks and opportunities as substantially different across industries and geographic locations for each of the topics, emphasising the importance of considering industry- and geographic specificity in ISSB research projects; and
  - (c) most suggested that the ISSB should build on other materials or the work of other organisations to advance the projects more quickly.
29. See Agenda Paper 2D for this meeting for Key Messages related to feedback on proposed research projects on the sustainability-related risk and opportunities associated with BEES, human capital and human rights.

### **Responses received to the Request for Information by stakeholder type and geographic region**

30. The ISSB received 433 responses from 411 unique respondents to the Request for Information by 1 September (251 surveys and 160 comment letters). All responses to the Request for Information are available on the IFRS Foundation's [website](#).
31. Respondents to the Request for Information included the following types of stakeholders (Figure 1):



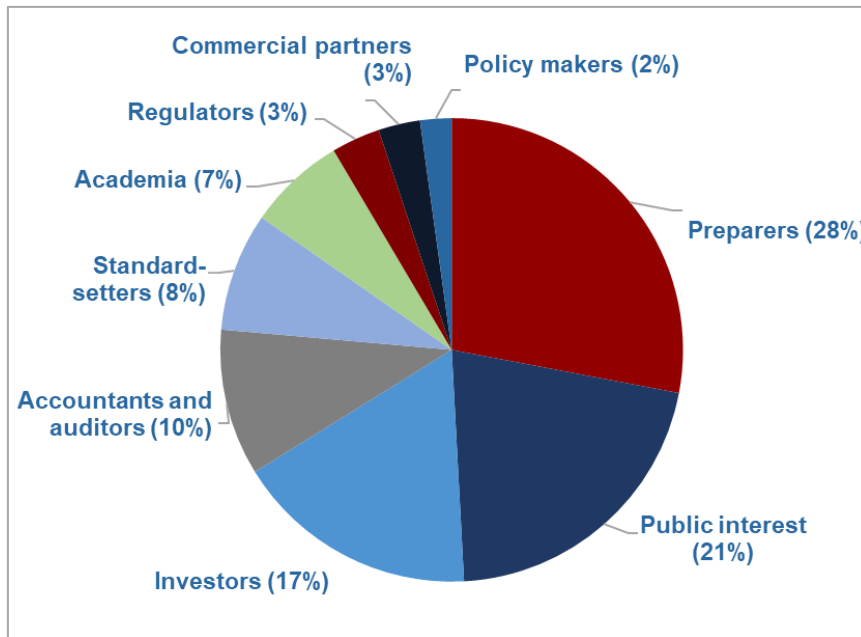


Figure 1 – Respondents by stakeholder type

32. Respondents to the Request for Information provided an international perspective, coming from all geographic regions (Figure 2).

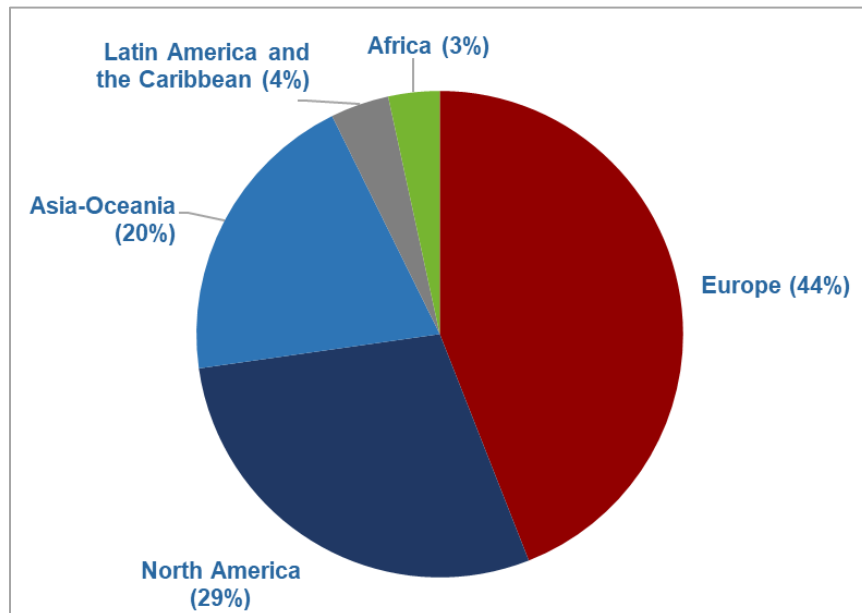


Figure 2 – Respondents by geographic region<sup>1</sup>

## Next steps

<sup>1</sup> 'Latin America and Caribbean' geographic region category includes Mexico.

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33. Following the summary of feedback discussed in this meeting, the staff will continue its analysis of the responses to the Request for Information with the aim of providing the ISSB with a more detailed understanding of the feedback in future ISSB meetings. After considering the detailed feedback analysis and related staff recommendations, the ISSB will make decisions on:
- (a) the strategic direction and balance of the ISSB's activities;
  - (b) the criteria for assessing which sustainability-related matters to prioritise and add to the ISSB's work plan; and
  - (c) new research and standard-setting projects to be added to the ISSB's work plan.
34. For future meetings the ISSB staff will also develop:
- (a) a summary of feedback to the Request for Information received from users of general purpose financial reports, as the primary audience of ISSB standards; and
  - (b) a summary of feedback on the proposed research project on integration in reporting, noting this paper will be presented for discussion at a future joint meeting between the ISSB and IASB.
35. The final output of the agenda consultation will be the publication of a feedback statement summarising the feedback on the Request for Information, the ISSB's response to such feedback, and the ISSB's activities and work plan for the next two-year period. The ISSB aims to finalise decisions related to this Request for Information in the first half of 2024.

### **Question for the ISSB**

36. The staff presents the following question for the ISSB.

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Question for the ISSB

1. Does the ISSB have any comments or questions on the feedback discussed in this paper?

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## Appendix A—Feedback on Question 8 of the Request for Information

- A1. This Appendix provides the ISSB with a summary of the feedback from responses to Question 8 of the Request for Information, which asked if respondents had any other comments on the ISSB’s activities or work plan.

Question 8—Other comments
Do you have any other comments on the ISSB’s activities and work plan?

- A2. Many respondents provided a response to Question 8. Of those respondents, almost all used the space to clarify or expand on comments elsewhere within their respective responses, or to suggest additional activities or potential projects that could be included in the ISSB’s work plan.
- A3. Such responses were considered as a part of the summary of feedback for the question of the Request for Information to which the comments most closely aligned, which are included in Agenda Papers 2A–2D for this meeting.
- A4. Of the respondents who provided a response to Question 8:
- (a) many commented on one or more of the ISSB’s activities or suggested additional activities, which are included in the summary of feedback on the strategic direction and balance of the ISSB’s activities in Agenda Paper 2A for this meeting;
  - (b) a few commented on the criteria for assessing the priority of projects to be added to the ISSB’s work plan, which are included in Agenda Paper 2B for this meeting;
  - (c) a few commented on the priority of the proposed projects in the Request for Information or suggested additional projects that could be added to the ISSB’s work plan, which are included in the summary of the feedback on the priority of proposed projects in Agenda Paper 2C for this meeting; and
  - (d) some commented on one or more of the proposed projects included in the Request for Information, which are included in the summary of feedback on

the proposed projects on sustainability-related risks and opportunities associated with the topics of BEES, human capital and human rights in Agenda Paper 2D for this meeting.