Purpose

1. This paper considers various matters on which the International Sustainability Standards Board (ISSB) technical staff report to the DPOC annually:
   (a) the receipt of comment letters and survey responses including their public availability;
   (b) the availability of board papers to observers; and
   (c) the ISSB’s dialogue with securities and other regulators.

2. This report is for the year ending 30 September 2023 and no formal action is required to be taken by the DPOC.

Summary

3. The technical staff confirm that:
   (a) All comment letters received with respect to ISSB consultations have been posted on the IFRS Foundation website.
   (b) All agenda papers distributed to ISSB for public meetings of the ISSB were made available on the IFRS Foundation website. Furthermore, there were no cases in which a document discussed by the ISSB was withheld or had any material removed from observers.
   (c) Regular dialogue has been maintained with securities regulators and prudential supervisors.

Comment letter and survey responses

4. The Due Process Handbook (Handbook) states:

   Comment letters

   3.67 Comment letters play a pivotal role in [ISSB] deliberations because the letters provide considered and public responses to a formal consultation.

   3.68 All comment letters received by the [ISSB] are available on the IFRS Foundation website. Portions of a comment letter may be withheld from the public if publication would be harmful to the submitting party, for example, if the letter potentially breached securities disclosure laws.

5. In the year to 30 September 2023 the ISSB received a total of 634 responses in response to three public consultations, 359 of which have been survey responses. The ISSB have utilised surveys as a means of collecting the same information requested through comment letters, but in a structured electronic form to facilitate analysis.
6. Details of all the comment letters considered during the year are set out in the Appendix to this paper.

ISSB papers made available to observers

7. The Handbook includes a section explaining the importance of making papers discussed by the ISSB members available to observers:

   3.11 All material discussed by [ISSB] members in their public meetings, including papers that are prepared by technical staff, is usually made available to observers via the IFRS Foundation website. The Chair or Vice-Chair of the [ISSB] or the Executive Director of Technical Activities have the discretion to withhold papers, or parts of papers, from observers if they determine that making the material publicly available would be harmful to individual parties, for example, if releasing that information could breach securities disclosure laws. The DPOC expects that withholding material in such circumstances would be rare and that most papers of the [ISSB] will be publicly available in their entirety.

   3.12 The technical staff is required to report to the [ISSB] and the DPOC at least annually on the extent to which material discussed by the [ISSB] has not been made available to observers and the main reasons for doing so. In addition, the technical staff is required to include in that report the number of meeting papers that have been distributed less than five working days in advance and the main reasons for doing so.

8. In the year to 30 September 2023, all agenda papers distributed to ISSB members for public meetings of the ISSB were made available on the IFRS Foundation website. Furthermore, there were no cases in which a document discussed by the ISSB in a public meeting was withheld or had any material removed from observers.

9. The staff have reported to the DPOC throughout the year on the late posting of papers for ISSB meetings (defined in the Handbook as papers posted less than five working days in advance of meetings).

Securities and other regulators

10. The Handbook states:

   Securities and other regulators

   3.55 The [ISSB] is responsible for developing high-quality, understandable and enforceable IFRS [Sustainability Disclosure] Standards that improve the transparency and integrity of [reporting]. The [ISSB] is also responsible for a [Digital Reporting] Taxonomy that can support securities regulators in facilitating digital access to general purpose financial reports.

   3.56 To achieve this the [ISSB] maintains a dialogue with securities regulators, usually by establishing regular meetings. In addition, members of regulatory bodies are invited to act as observers to Interpretations Committee meetings.

   3.57 Financial information prepared in accordance with IFRS [Sustainability Disclosure] Standards is used by other regulators, including prudential supervisors.

   3.58 In that context the [ISSB] maintains an enhanced dialogue with such authorities, particularly through the Financial Stability Board and the Bank for International Settlements.
**Securities regulators**

11. During the year to 30 September 2023, the ISSB and relevant staff have maintained regular dialogue with securities regulators.

12. One of the main vehicles for engaging regulators over the past year by the ISSB has been the engagement with the Jurisdictional Working Group (JWG)\(^1\). The JWG has typically met monthly during the period to discuss strategic matters relating to the interoperability of the ISSB Standards and matters relevant to the adoption of the ISSB Standards. IOSCO is also an observer to the JWG.

13. Throughout the period there has been consistent engagement with IOSCO through several different forums. ISSB members and technical staff have also engaged with IOSCO’s Growth and Emerging Markets Committee\(^2\). An engagement took place in March 2023 which updated the membership on the work of the ISSB and focussed on the proportionality mechanisms built into the ISSB Standards. Further engagement took place through a two-day training programme in May 2023 to support IOSCO’s Capacity Building programme on the ISSB Standards for its membership.

14. Also, during the period there has been significant engagement bilaterally with various regulators globally as jurisdictions are considering their adoption of the ISSB Standards. This type of engagement is continuing to increase following the issuance of the IOSCO endorsement advice on the ISSB Standards in July 2023 as jurisdictions consult their stakeholders on the adoption of the ISSB Standards.

**Prudential regulators**

15. The ISSB has further developed regular dialogue with prudential regulators. Engagement with prudential regulators has been important as IFRS S2 has specific requirements related to financed emissions (the greenhouse gas emissions linked to the investment and lending activities of financial institutions like investment managers, banks and insurers).

16. The ISSB Chair attended the FSB Plenary meeting in December 2022 to provide an update on the ISSB’s work. Subsequently the ISSB Chair has met with the FSB Chair on two occasions to further update on the finalisation of IFRS S1 and IFRS S2.

17. ISSB leadership has also engaged in regular dialogue with the Chair of the Basel Committee. There has also been regular engagement at the staff level with the International Association of Insurance Supervisors (IAIS) on the engagement with the insurance sector in developing IFRS S1 and IFRS S2 and the implementation of the Standards.

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\(^1\) The Japanese Financial Services Authority, the United Kingdom Financial Conduct Authority and the United States Securities and Exchange Commission have been members since the establishment of the JWG in April 2022 along with IOSCO as an observer.

\(^2\) The Growth and Emerging Markets Committee of IOSCO comprises 90 members and 24 non-voting associate members who include the world’s fastest growing economies and 10 of the G-20 members. Emerging economies are expected to represent a growing portion of IOSCO membership as new members continue to join.
## Appendix

### Comment letters and survey responses received

<table>
<thead>
<tr>
<th>Project</th>
<th>Due Process Stage</th>
<th>No. of Letters/Surveys</th>
</tr>
</thead>
<tbody>
<tr>
<td>International Sustainability Standards Board</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consultation on Agenda Priorities</td>
<td>Request for Information Feedback</td>
<td>437</td>
</tr>
<tr>
<td>Methodology for Enhancing the International Applicability of the SASB Standards and the SASB Standards Taxonomy</td>
<td>Exposure Draft Feedback</td>
<td>148</td>
</tr>
<tr>
<td>IFRS Sustainability Disclosure Taxonomy</td>
<td>Exposure Draft Feedback</td>
<td>49</td>
</tr>
</tbody>
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