
IFRS Foundation Trustees—Due Process Oversight Committee

Date **29 May 2024**

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*.

Introduction

The IFRS Foundation Due Process Oversight Committee (DPOC) [met on 29 May 2024](#) over videoconference. The meeting was webcast live and a recording of the meeting is available on the [IFRS Foundation website](#).

The main matter discussed was as follows.

Update on ISSB Consultation on Agenda Priorities

The DPOC received a comprehensive briefing about the International Sustainability Standards Board's (ISSB) Consultation on Agenda Priorities. The briefing covered a summary of the Agenda Consultation process, outlining the methodology of the Request for Information, the key messages from stakeholders, the ISSB's response to the feedback and a review of the due process undertaken.

DPOC members sought clarification on several matters, such as:

- (a) whether 'interoperability' (between ISSB Standards and other sustainability disclosure standards and frameworks) would still be given the high degree of importance that many stakeholders had attributed to it. The ISSB representatives explained that consideration of interoperability had been built into the criteria for selecting priorities and was a 'core activity' in the work plan. While working on research projects and enhancements to the SASB Standards, the ISSB would pursue interoperability by working closely with the Global Reporting Initiative to ensure that reporting for entities is streamlined and continue to work closely with EFRAG to ensure that IFRS Sustainability Disclosure Standards are aligned with European Sustainability Reporting Standards. Another important piece of feedback relating to interoperability was to ensure that research projects build on existing literature. When working on biodiversity the ISSB will consider work such as that undertaken by the Taskforce on Nature-related Financial Disclosures, EFRAG and GRI as well as the Climate Disclosure Standards Board (CDSB) Framework and the SASB Standards. Overall, interoperability would be realised in how all future work was approached rather than it being a separate priority.
- (b) the scope of the biodiversity, ecosystems and ecosystem services project given some stakeholders had suggested widening it to 'nature'—the ISSB representatives clarified that the scope could change depending on how the research developed.
- (c) the extent of the interaction between human rights and the human capital project—the ISSB representatives outlined areas of interaction such as the impact on an entity's workforce and workers in its value chain, and noted that areas such as impacts on the affected communities, consumers and end users are likely outside of the scope of the project. However, given these tend to be highly industry specific there was scope to consider these in the context of the work to enhance the SASB Standards.
- (d) how the IFRS Advisory Council had been consulted—the ISSB representatives clarified that the Council had been consulted at various points during the Agenda Consultation process. Feedback from the

Council was largely consistent with other stakeholder feedback. A common theme of the feedback from all stakeholders was emphasising the importance of supporting implementation of IFRS S1 and IFRS S2. The ISSB representatives also noted the high level of response from investors to the Request for Information.

- (e) the nature of the feedback statement given the level of interest in the Agenda Consultation and the broad range of the ISSB's stakeholders—the ISSB representatives noted they were considering the broad audience in the drafting of the feedback statement and also framing how the work plan fits in with the ISSB's broader strategic objectives and priorities.

Closing

The DPOC Chair thanked all for their participation.