**AY-2. Are you responding as an individual, or on behalf of an organisation?**

- Organisation

**AY-3. Please provide the name of the organisation you are responding on behalf of:**

Harvard Management Company

**Question 1—Objective of the Exposure**

Paragraph 1 of the Exposure Draft sets out the proposed objective: an entity is required to disclose information about its exposure to climate-related risks and opportunities, enabling users of an entity's general purpose financial reporting:

- to assess the effects of climate-related risks and opportunities on the entity's enterprise value;
- to understand how the entity's use of resources, and corresponding inputs, activities, outputs and outcomes support the entity's response to and strategy for managing its climate-related risks and opportunities; and
- to evaluate the entity's ability to adapt its planning, business model and operations to climate-related risks and opportunities.

Paragraphs BC21–BC22 of the Basis for Conclusions describe the reasoning behind the Exposure Draft's proposals.

**01-AP. (a) Do you agree with the objective that has been established for the Exposure Draft? Why or why not?**

- Broadly Agree

**01-AR. Please explain your answer:**

The objective is good but perhaps overly focused on corporate entities. Investment funds may look to (or be required to) prepare financial statements based on IFRS standards, eventually including these sustainability and climate disclosures.

For example, an investment fund calculates "Net Asset Value" i.e., assets minus liabilities, and this would not strictly fall into the definition of "Enterprise Value" as it stands.

**01-BP. (b) Does the objective focus on the information that would enable users of general purpose financial reporting to assess the effects of climate-related risks and opportunities on enterprise value?**

- Broadly Agree

**01-BR. Please explain your answer:**

Yes, we believe the objective is broad enough that it would capture the relevant information including for investment funds where the resources would be investor capital and activities and outcomes would be investments. The scope also covers both physical and transition risks which we believe is important.

**01-CP. (c) Do the disclosure requirements set out in the Exposure Draft meet the objectives described in paragraph 1? Why or why not? If not, what do you propose instead and why?**

- Broadly Agree

**01-CR. Please explain your answer:**

Yes, the proposed requirements seem to meet the objective in most instances. Many institutional investors, including endowments, invest indirectly in issuers through fund structures. In certain places, the requirements could include further clarification or additional guidance on how the disclosures should be produced for fund structures.

**Question 2—Governance**

Paragraphs 4 and 5 of the Exposure Draft propose that an entity be required to disclose information that enables users of general purpose financial reporting to understand the governance processes, controls and procedures used to monitor and manage climate-related risks and opportunities. To achieve this objective, the Exposure Draft proposes that an entity be required to disclose information about the governance body or bodies (which can include a board, committee or equivalent body charged with governance) with oversight of climate-related risks and opportunities, and a description of management's role regarding climate-related risks and opportunities.

The Exposure Draft's proposed governance disclosure requirements are based on the recommendations of the TCFD, but the Exposure Draft proposes more detailed disclosure on some aspects of climate-related governance and management in order to meet the information needs of users of general purpose financial reporting. For example, the Exposure Draft proposes a requirement for preparers to disclose how the governance body's responsibilities for climate-related risks and opportunities are reflected in the entity's terms of reference, board mandates and other related policies. The related TCFD's recommendations are to: describe the board's oversight of climate-related risks and opportunities and management's role in assessing and managing climate-related risks and opportunities.

Paragraphs BC57–BC63 of the Basis for Conclusions describe the reasoning behind the Exposure Draft's proposals.

**02-AP. Do you agree with the proposed disclosure requirements for governance processes, controls and procedures used to monitor and manage climate-related risks and opportunities? Why or why not?**

- Broadly Agree

**02-AR. Please explain your answer:**

We agree with the requirements for disclosures on governance. We support allowing integrated disclosures where there is significant overlap between these requirements and those in the general sustainability requirements (IFRS S1).
Where appropriate, we recommend the requirements include disclosure on the results of these processes, in particular where it references controversies or other relevant events related to climate the entity was exposed to in the last reporting period.
To assist with reporting, we recommend that the requirements include additional examples and guidance to outline potential information that an entity could use to comply with these disclosures.

**Question 3—Identification of climate-related risks and opportunities**

Paragraph 9 of the Exposure Draft proposes that an entity be required to identify and disclose a description of significant climate-related risks and opportunities and the time horizon over which each could reasonably be expected to affect its business model, strategy and cash flows, its access to finance and its cost of capital, over the short, medium or long term. In identifying the significant climate-related risks and opportunities described in paragraph 9(a), an entity would be required to refer to the disclosure topics defined in the industry disclosure requirements (Appendix B).

Paragraphs BC64–BC65 of the Basis for Conclusions describe the reasoning behind the Exposure Draft's proposals.

**03-AP. (a) Are the proposed requirements to identify and to disclose a description of significant climate-related risks and opportunities sufficiently clear? Why or why not?**

- Other

**03-AR. Please explain your answer:**

We note the importance of using Appendix B (derived from SASB Standards) to provide consistency on disclosure topics by industry and further recommend that entities then consider any further entity level requirements using all available IFRS Sustainability Disclosure Standards and all resources listed in paragraph 51 – even if the requirements of these standards/guidance go beyond issues identified as material by the SASB materiality map. In response to this process, entities must disclose: (i) which risks and opportunities are considered material; (i) which are not material; and (iii) why they are not material. This will future-proof the standards to integrate additional IFRS standards over time to consider whether an issue is material while narrowing the potential scope of all issues that an entity could consider.
Finally, we would prefer the ISSB focus on materiality only.
As time horizons are a key part of framing the risks and opportunities in disclosure on strategy, governance, risk management and metrics, companies should apply consistent time horizons.
To improve consistency of the data, we recommend that the ISSB consider providing a defined range for each horizon that all entities would apply to define their own horizons.

**03-BP. (b) Do you agree with the proposed requirement to consider the applicability of disclosure topics (defined in the industry requirements) in the identification and description of climate-related risks and opportunities? Why or why not? Do you believe that this will lead to improved relevance and comparability of disclosures? Why or why not? Are there any additional requirements that may improve the relevance and comparability of such disclosures? If so, what would you suggest and why?**

- Broadly Agree

**03-BR. Please explain your answer:**

Yes, it is important to consider the applicability of disclosure topics. This means an entity's time is spent producing disclosures that are relevant to that entity and that users of the financial statement will not have to sift through irrelevant disclosures to source material information.

**Question 4—Concentrations of climate-related risks and opportunities in an entity's value chain**
Paragraph 12 of the Exposure Draft proposes requiring disclosures that are designed to enable users of general purpose financial reporting to understand the effects of significant climate-related risks and opportunities on an entity's business model, including in its value chain. The disclosure requirements seek to balance measurement challenges (for example, with respect to physical risks and the availability of reliable, geographically-specific information) with the information necessary for users to understand the effects of significant climate-related risks and opportunities in an entity's value chain.

As a result, the Exposure Draft includes proposals for qualitative disclosure requirements about the current and anticipated effects of significant climate-related risks and opportunities on an entity's value chain. The proposals would also require an entity to disclose where in an entity's value chain significant climate-related risks and opportunities are concentrated.

Paragraphs BC66–BC68 of the Basis for Conclusions describe the reasoning behind the Exposure Draft's proposals.

**04-AP. (a) Do you agree with the proposed disclosure requirements about the effects of significant climate-related risks and opportunities on an entity's business model and value chain? Why or why not?**

- Broadly Agree

**04-AR. Please explain your answer:**

We agree that reporting on both the business model and the value chain is important to give a full oversight of the entity's climate risks and opportunities.
There is insufficient clarity on the scope of the assessment of the value chain required. Companies will have complete flexibility, which will lead to inconsistent and unclear reporting. We recommend that entities should be required to define the scope of their value chain assessment. this information should at least include how far along their value chain the reporting entity has assessed, as well as which aspects have not been considered.
For investment funds that wish to report based on these standards, the definition of value chain will need to be further clarified to reflect differences in their business model. It may be useful for IFRS to add specific guidance to what would be reported for an investment fund vs a corporate entity. This would bring clarity to investment managers and users of the investment fund's financial statements.

**04-BP. (b) Do you agree that the disclosure required about an entity's concentration of climate-related risks and opportunities should be qualitative rather than quantitative? Why or why not? If not, what do you recommend and why?**

- Broadly Agree

**04-BR. Please explain your answer:**

Overall, we agree that this disclosure should be qualitative; however, it may be useful for some high-level quantitative disclosures such as % of value chain in a specific geographical area or industry above a threshold etc. This may help give users of the financial statement more context when comparing concentrations across different entities.

**Question 5—Transition plans and carbon offsets**

Disclosing an entity's transition plan towards a lower-carbon economy is important for enabling users of general purpose financial reporting to assess the entity's current and planned responses to the decarbonisation-related risks and opportunities that can reasonably be expected to affect its enterprise value.

Paragraph 13 of the Exposure Draft proposes a range of disclosures about an entity's transition plans. The Exposure Draft proposes requiring disclosure of information to enable users of general purpose financial reporting to understand the effects of climate-related risks and opportunities on an entity's strategy and decision-making, including its transition plans. This includes information about how it plans to achieve any climate-related targets that it has set (this includes information about the use of carbon offsets); its plans and critical assumptions for legacy assets; and quantitative and qualitative information about the progress of plans previously disclosed by the entity.

An entity's reliance on carbon offsets, how the offsets it uses are generated, and the credibility and integrity of the scheme from which the entity obtains the offsets have implications for the entity's enterprise value over the short, medium and long term. The Exposure Draft therefore includes disclosure requirements about the use of carbon offsets in achieving an entity's emissions targets. This proposal reflects the need for users of general purpose financial reporting to understand an entity's plan for reducing emissions, the role played by carbon offsets and the quality of those offsets.

The Exposure Draft proposes that entities disclose information about the basis of the offsets' carbon removal (nature- or technology-based) and the third-party verification or certification scheme for the offsets. Carbon offsets can be based on avoided emissions. Avoided emissions are the potential lower future emissions of a product, service or project when compared to a situation where the product, service or project did not exist, or when it is compared to a baseline. Avoided-emission approaches in an entity's climate-related strategy are complementary to, but fundamentally different from, the entity's emission-inventory accounting and emission-reduction transition targets. The Exposure Draft therefore proposes to include a requirement for entities to disclose whether the carbon offset amount achieved is through carbon removal or emission avoidance.

The Exposure Draft also proposes that an entity disclose any other significant factors necessary for users of general purpose financial reporting to understand the credibility of the offsets used by the entity such as information about assumptions of the permanence of the offsets.

Paragraphs BC71–BC85 of the Basis for Conclusions describe the reasoning behind the Exposure Draft's proposals.

**05-AP. (a) Do you agree with the proposed disclosure requirements for transition plans? Why or why not?**

- Broadly Agree

**05-AR. Please explain your answer:**

Transition plans will be important not only for meeting targets but also to adapt to the changing nature of climate related risks and opportunities, therefore we agree that disclosure of these is useful information.
We support disclosure of the nature and use of carbon offsets in addition to the disclosure that they are being used. Giving the variety of carbon offsets both in type and effectiveness this is important information to assess the effectiveness of any transition plan.
The progress of plans is also an important disclosure for users of the financial statements to be able to assess whether targets may be achieved or not.

**05-BP. (b) Are there any additional disclosures related to transition plans that are necessary (or some proposed that are not)? If so, please describe those disclosures and explain why they would (or would not) be necessary.**

- Yes

**05-BR. Please explain your answer:**

Entities should be required to disclose any time bound climate targets the organization is using to mitigate climate risk, including greenhouse gas emissions reduction targets, as well as any interim milestones and quantitative KPIs to measure and track progress.

**05-CP. (c) Do you think the proposed carbon offset disclosures will enable users of general purpose financial reporting to understand an entity's approach to reducing emissions, the role played by carbon offsets and the credibility of those carbon offsets? Why or why not? If not, what do you recommend and why?**

- Broadly Agree

**05-CR. Please explain your answer:**

Yes, we believe that the disclosures cover three critical points for understanding an entity's approach to reducing carbon emissions:

• Progress towards any stated goals or targets,
• Whether the reduction will be through carbon offset or carbon avoidance, and
• When using offset the nature of the carbon offsets being used.

**05-DP. (d) Do you think the proposed carbon offset requirements appropriately balance costs for preparers with disclosure of information that will enable users of general purpose financial reporting to understand an entity's approach to reducing emissions, the role played by carbon offsets and the soundness or credibility of those carbon offsets? Why or why not? If not, what do you propose instead and why?**

- Broadly Agree

**05-DR. Please explain your answer:**

We believe that the information required to be disclosed should be aligned with the due diligence an entity should complete on any carbon offsets that it will use. Therefore, additional costs associated with disclosure should not outweigh the benefits of disclosure.

**Question 6—Current and anticipated effects**

The Exposure Draft proposes requirements for an entity to disclose information about the anticipated future effects of significant climate-related risks and opportunities. The Exposure Draft proposes that, if such information is provided quantitatively, it can be expressed as a single amount or as a range. Disclosing a range enables an entity to communicate the significant variance of potential outcomes associated with the monetised effect for an entity; whereas if the outcome is more certain, a single value may be more appropriate.

The TCFD's 2021 status report identified the disclosure of anticipated financial effects of climate-related risks and opportunities using the TCFD Recommendations as an area with little disclosure. Challenges include: difficulties of organisational alignment, data, risk evaluation and the attribution of effects in financial accounts; longer time horizons associated with climate-related risks and opportunities compared with business horizons; and securing approval to disclose the results publicly. Disclosing the financial effects of climate-related risks and opportunities is further complicated when an entity provides specific information about the effects of climate-related risks and opportunities on the entity. The financial effects could be due to a combination of other sustainability-related risks and opportunities and not separable for the purposes of climate-related disclosure (for example, if the value of an asset is considered to be at risk it may be difficult to separately identify the effect of climate on the value of the asset in isolation from other risks).

Similar concerns were raised by members of the TRWG in the development of the climate-related disclosure prototype following conversations with some preparers. The difficulty of providing single-point estimates due to the level of uncertainty regarding both climate outcomes and the effect of those outcomes on a particular entity was also highlighted. As a result, the proposals in the Exposure Draft seek to balance these challenges with the provision of information for investors about how climate-related issues affect an entity's financial position and financial performance currently and over the short, medium and long term by allowing anticipated monetary effects to be disclosed as a range or a point estimate.

The Exposure Draft proposes that an entity be required to disclose the effects of significant climate-related risks and opportunities on its financial position, financial performance and cash flows for the reporting period, and the anticipated effects over the short, medium and long term—including how climate-related risks and opportunities are included in the entity's financial planning (paragraph 14). The requirements also seek to address potential measurement challenges by requiring disclosure of quantitative information unless an entity is unable to provide the information quantitatively, in which case it shall be provided qualitatively.

Paragraphs BC96–BC100 of the Basis for Conclusions describe the reasoning behind the Exposure Draft's proposals.

**06-AP. (a) Do you agree with the proposal that entities shall disclose quantitative information on the current and anticipated effects of climate-related risks and opportunities unless they are unable to do so, in which case qualitative information shall be provided (see paragraph 14)? Why or why not?**

- Other

**06-AR. Please explain your answer:**

This requirement suggests that, in most instances, this information should be available and provided. In reality, it can be very difficult to understand the exact contribution of climate related risks and opportunities to financial performance outside of major climate events. To provide quantitative information on this would mean an entity would need to breakdown its financial performance attribution to a level that is potentially not possible to do.

The default should be qualitative disclosure with the option to provide quantitative if possible. Qualitive disclosures could explain that a specific climate-related risk may have impacted performance but would not require trying to breakdown the exact contribution.

This will particularly be the case with investment funds where performance is the result of many different factors including things like market volatility, regulatory or political environments and others. Also, regulation in many jurisdictions may prohibit funds from providing quantitative estimates of future performance.

**06-BP. (b) Do you agree with the proposed disclosure requirements for the financial effects of climate-related risks and opportunities on an entity's financial performance, financial position and cash flows for the reporting period? If not, what would you suggest and why?**

- Broadly Disagree

**06-BR. Please explain your answer:**

We are concerned that, using currently available data and methodologies, it will be challenging for entities to calculate the effects of climate ricks on financial performance with any degree of precision or reliability. For the reasons noted above, we recommend a more qualitative approach.

**06-CP. (c) Do you agree with the proposed disclosure requirements for the anticipated effects of climate-related risks and opportunities on an entity's financial position and financial performance over the short, medium and long term? If not, what would you suggest and why?**

- Other

**06-CR. Please explain your answer:**

As noted above, it may be problematic to break down exactly which elements of performance are caused by climate-related risks and opportunities and over what timeframes. We believe the default for this disclosure should be qualitative with the option to provide quantitative if available.

As also discussed, many investment funds may not be able to provide this information, particularly in quantitative format, due to regulatory issues. We believe that this should be noted in any disclosure requirements.

**Question 7—Climate resilience**

The likelihood, magnitude and timing of climate-related risks and opportunities affecting an entity are often complex and uncertain. As a result, users of general purpose financial reporting need to understand the resilience of an entity's strategy (including its business model) to climate change, factoring in the associated uncertainties. Paragraph 15 of the Exposure Draft therefore includes requirements related to an entity's analysis of the resilience of its strategy to climate-related risks. These requirements focus on:

- what the results of the analysis, such as impacts on the entity's decisions and performance, should enable users to understand; and
- whether the analysis has been conducted using:
    - climate-related scenario analysis; or
    - an alternative technique.

Scenario analysis is becoming increasingly well established as a tool to help entities and investors understand the potential effects of climate change on business models, strategies, financial performance and financial position. The work of the TCFD showed that investors have sought to understand the assumptions used in scenario analysis, and how an entity's findings from the analysis inform its strategy and risk-management decisions and plans. The TCFD also found that investors want to understand what the outcomes indicate about the resilience of the entity's strategy, business model and future cash flows to a range of future climate scenarios (including whether the entity has used a scenario aligned with the latest international agreement on climate change). Corporate board committees (notably audit and risk) are also increasingly requesting entity-specific climate-related risks to be included in risk mapping with scenarios reflecting different climate outcomes and the severity of their effects.

Although scenario analysis is a widely accepted process, its application to climate-related matters in business, particularly at an individual entity level, and its application across sectors is still evolving. Some sectors, such as extractives and minerals processing, have used climate-related scenario analysis for many years; others, such as consumer goods or technology and communications, are just beginning to explore applying climate-related scenario analysis to their businesses.

Many entities use scenario analysis in risk management for other purposes. Where robust data and practices have developed, entities thus have the analytical capacity to undertake scenario analysis. However, at this time the application of climate-related scenario analysis for entities is still developing.

Preparers raised other challenges and concerns associated with climate-related scenario analysis, including: the speculative nature of the information that scenario analysis generates, potential legal liability associated with disclosure (or miscommunication) of such information, data availability and disclosure of confidential information about an entity's strategy. Nonetheless, by prompting the consideration of a range of possible outcomes and explicitly incorporating multiple variables, scenario analysis provides valuable information and perspectives as inputs to an entity's strategic decision-making and risk-management processes. Accordingly, information about an entity's scenario analysis of significant climate-related risks is important for users in assessing enterprise value.

The Exposure Draft proposes that an entity be required to use climate-related scenario analysis to assess its climate resilience unless it is unable to do so. If an entity is unable to use climate-related scenario analysis, it shall use an alternative method or technique to assess its climate resilience.

Requiring disclosure of information about climate-related scenario analysis as the only tool to assess an entity's climate resilience may be considered a challenging request from the perspective of a number of preparers at this time—particularly in some sectors. Therefore, the proposed requirements are designed to accommodate alternative approaches to resilience assessment, such as qualitative analysis, single-point forecasts, sensitivity analysis and stress tests. This approach would provide preparers, including smaller entities, with relief, recognising that formal scenario analysis and related disclosure can be resource intensive, represents an iterative learning process, and may take multiple planning cycles to achieve. The Exposure Draft proposes that when an entity uses an approach other than scenario analysis, it disclose similar information to that generated by scenario analysis to provide investors with the information they need to understand the approach used and the key underlying assumptions and parameters associated with the approach and associated implications for the entity's resilience over the short, medium and long term.

It is, however, recommended that scenario analysis for significant climate-related risks (and opportunities) should become the preferred option to meet the information needs of users to understand the resilience of an entity's strategy to significant climate-related risks. As a result, the Exposure Draft proposes that entities that are unable to conduct climate-related scenario analysis provide an explanation of why this analysis was not conducted. Consideration was also given to whether climate-related scenario analysis should be required by all entities with a later effective date than other proposals in the Exposure Draft.

Paragraphs BC86–BC95 of the Basis for Conclusions describe the reasoning behind the Exposure Draft's proposals.

**07-AP. (a) Do you agree that the items listed in paragraph 15(a) reflect what users need to understand about the climate resilience of an entity's strategy? Why or why not? If not, what do you suggest instead and why?**

- Broadly Agree

**07-AR. Please explain your answer:**

Yes, the disclosures above would allow users to understand the climate resilience. For the third disclosure there may need to be additional guidance for investment funds on how to meet this disclosure requirement given the nature of the entity is significantly different to a corporate entity.

(b) The Exposure Draft proposes that if an entity is unable to perform climate-related scenario analysis, that it can use alternative methods or techniques (for example, qualitative analysis, single-point forecasts, sensitivity analysis and stress tests) instead of scenario analysis to assess the climate resilience of its strategy.

**07-BiP.**
**(i) Do you agree with this proposal? Why or why not?**

- Broadly Agree

**07-BiR. Please explain your answer:**

Yes, we agree that alternative methods should be acceptable as scenario analysis can be resource intensive and require a learning process.

**07-BiiP. (ii) Do you agree with the proposal that an entity that is unable to use climate-related scenario analysis to assess the climate resilience of its strategy be required to disclose the reason why? Why or why not?**

- Broadly Agree

**07-BiiR. Please explain your answer:**

Yes, we agree that the reason scenario analysis cannot be used should be disclosed.

**07-BiiiR.**
**(iii) Alternatively, should all entities be required to undertake climate-related scenario analysis to assess climate resilience? If mandatory application were required, would this affect your response to Question 14(c) and if so, why?**

For the reasons stated above, although encouraged, we do not think there should be a broad mandate for all entities to undertake climate-related scenario analysis. We recommend a sector-by-sector approach for any mandatory application.

**07-CP. (c) Do you agree with the proposed disclosures about an entity's climate-related scenario analysis? Why or why not?**

- Broadly Agree

**07-CR. Please explain your answer:**

Yes, the methodology used, including any assumptions made, is important information to ensure that any comparisons between entities are comparing like for like.

**07-DP. (d) Do you agree with the proposed disclosure about alternative techniques (for example, qualitative analysis, single-point forecasts, sensitivity analysis and stress tests) used for the assessment of the climate resilience of an entity's strategy? Why or why not?**

- Broadly Agree

**07-DR. Please explain your answer:**

Yes, the methodology used, including any assumptions made, is important information to ensure that any comparisons between entities are comparing like for like.

**07-EP. (e) Do the proposed disclosure requirements appropriately balance the costs of applying the requirements with the benefits of information on an entity's strategic resilience to climate change? Why or why not? If not, what do you recommend and why?**

- Broadly Agree

**07-ER. Please explain your answer:**

Yes, the proposed disclosure appropriately balances the costs and benefits. Disclosure of material, climate-related financial information by corporations is essential for investors to be able to identify and manage climate risks effectively. Understanding a corporate entity's climate risk and strategy for climate adaptation and/or mitigation is necessary for investors to accurately price risk and adjust portfolio capital allocation.

**Question 8—Risk management**
An objective of the Exposure Draft is to require an entity to provide information about its exposure to climate-related risks and opportunities, to enable users of general purpose financial reporting to assess the effects of climate-related risks and opportunities on the entity's enterprise value. Such disclosures include information for users to understand the process, or processes, that an entity uses to identify, assess and manage not only climate-related risks, but also climate-related opportunities.

Paragraphs 16 and 17 of the Exposure Draft would extend the remit of disclosures about risk management beyond the TCFD Recommendations, which currently only focus on climate-related risks. This proposal reflects both the view that risks and opportunities can relate to or result from the same source of uncertainty, as well as the evolution of common practice in risk management, which increasingly includes opportunities in processes for identification, assessment, prioritisation and response.

Paragraphs BC101–BC104 of the Basis for Conclusions describe the reasoning behind the Exposure Draft's proposals.

**08-AP. Do you agree with the proposed disclosure requirements for the risk management processes that an entity uses to identify, assess and manage climate-related risks and opportunities? Why or why not? If not, what changes do you recommend and why?**

- Other

**08-AR. Please explain your answer:**

Yes, we believe that including input parameters and highlighting any change in processes from previous reporting periods these disclosures will allow users to better understand how these risks are measured, monitored and mitigated. Although climate-related opportunities are an important component of an entity's transition plan, we caution adding this topic to the existing TCFD guidance on Risk Management reporting.
We support allowing these disclosures to be aggregated with other sustainability disclosures to avoid duplication of information.

**Question 9—Cross-industry metric categories and greenhouse gas emissions**

The Exposure Draft proposes incorporating the TCFD's concept of cross-industry metric categories with the aim of improving the comparability of disclosures across reporting entities regardless of industry. The proposals in the Exposure Draft would require an entity to disclose these metrics and metric categories irrespective of its particular industry or sector (subject to materiality). In proposing these requirements, the TCFD's criteria were considered. These criteria were designed to identify metrics and metric categories that are:

- indicative of basic aspects and drivers of climate-related risks and opportunities;
- useful for understanding how an entity is managing its climate-related risks and opportunities;
- widely requested by climate reporting frameworks, lenders, investors, insurance underwriters and regional and national disclosure requirements; and
- important for estimating the financial effects of climate change on entities.

The Exposure Draft thus proposes seven cross-industry metric categories that all entities would be required to disclose: greenhouse gas (GHG) emissions on an absolute basis and on an intensity basis; transition risks; physical risks; climate-related opportunities; capital deployment towards climate-related risks and opportunities; internal carbon prices; and the percentage of executive management remuneration that is linked to climate-related considerations. The Exposure Draft proposes that the GHG Protocol be applied to measure GHG emissions.

The GHG Protocol allows varied approaches to be taken to determine which emissions an entity includes in the calculation of Scope 1, 2 and 3—including for example, how the emissions of unconsolidated entities such as associates are included. This means that the way in which information is provided about an entity's investments in other entities in their financial statements may not align with how its GHG emissions are calculated. It also means that two entities with identical investments in other entities could report different GHG emissions in relation to those investments by virtue of choices made in applying the GHG Protocol.

To facilitate comparability despite the varied approaches allowed in the GHG Protocol, the Exposure Draft proposes that an entity shall disclose:

- separately Scope 1 and Scope 2 emissions, for:
    - the consolidated accounting group (the parent and its subsidiaries);
    - the associates, joint ventures, unconsolidated subsidiaries or affiliates not included in the consolidated

accounting group; and
- the approach it used to include emissions for associates, joint ventures, unconsolidated subsidiaries or affiliates not included in the consolidated accounting group (for example, the equity share or operational control method in the GHG Protocol Corporate Standard).

The disclosure of Scope 3 GHG emissions involves a number of challenges, including those related to data availability, use of estimates, calculation methodologies and other sources of uncertainty. However, despite these challenges, the disclosure of GHG emissions, including Scope 3 emissions, is becoming more common and the quality of the information provided across all sectors and jurisdictions is improving. This development reflects an increasing recognition that Scope 3 emissions are an important component of investment-risk analysis because, for most entities, they represent by far the largest portion of an entity's carbon footprint.

Entities in many industries face risks and opportunities related to activities that drive Scope 3 emissions both up and down the value chain. For example, they may need to address evolving and increasingly stringent energy efficiency standards through product design (a transition risk) or seek to capture growing demand for energy-efficient products or seek to enable or incentivise upstream emissions reduction (climate opportunities). In combination with industry metrics related to these specific drivers of risk and opportunity, Scope 3 data can help users evaluate the extent to which an entity is adapting to the transition to a lower-carbon economy. Thus, information about Scope 3 GHG emissions enables entities and their investors to identify the most significant GHG reduction opportunities across an entity's entire value chain, informing strategic and operational decisions regarding relevant inputs, activities and outputs.

For Scope 3 emissions, the Exposure Draft proposes that:

- an entity shall include upstream and downstream emissions in its measure of Scope 3 emissions;
- an entity shall disclose an explanation of the activities included within its measure of Scope 3 emissions, to enable users of general purpose financial reporting to understand which Scope 3 emissions have been included in, or excluded from, those reported;
- if the entity includes emissions information provided by entities in its value chain in its measure of Scope 3 greenhouse gas emissions, it shall explain the basis for that measurement; and
- if the entity excludes those greenhouse gas emissions, it shall state the reason for omitting them, for example, because it is unable to obtain a faithful measure.

Aside from the GHG emissions category, the other cross-industry metric categories are defined broadly in the Exposure Draft. However, the Exposure Draft includes non-mandatory Illustrative Guidance for each cross-industry metric category to guide entities.

Paragraphs BC105–BC118 of the Basis for Conclusions describe the reasoning behind the Exposure Draft's proposals.

**09-AP. (a) The cross-industry requirements are intended to provide a common set of core, climate-related disclosures applicable across sectors and industries. Do you agree with the seven proposed cross-industry metric categories including their applicability across industries and business models and their usefulness in the assessment of enterprise value? Why or why not? If not, what do you suggest and why?**

- Broadly Agree

**09-AR. Please explain your answer:**

The categories listed here are appropriate for corporate entities and, subject to the caveat below re Scope 3 emissions, we agree that cross-industry metrics will be useful for comparison purposes. For other entities, such as investment funds, there may be challenges in producing some of this information.

For investment funds, while there are established frameworks in place for reporting on equity and debt investments (such as the Partnership for Climate Accounting Financials (PCAF)) there is much less certainty in the industry for reporting on instruments such as derivatives, FX, interest rates and others. There are many industry groups, including SBAI, that are working on solutions to this gap in frameworks.

**09-BP. (b) Are there any additional cross-industry metric categories related to climate-related risks and opportunities that would be useful to facilitate cross-industry comparisons and assessments of enterprise value (or some proposed that are not)? If so, please describe those disclosures and explain why they would or would not be useful to users of general purpose financial reporting.**

- Other

**09-BR. Please explain your answer:**

To ensure international operability, it will be important that these implementation examples have a clear and direct reference to major international disclosure legislation, such as metrics included within finalized European sustainability reporting standards and the US SEC's Final Rule on climate-related disclosures.

**09-CP. (c) Do you agree that entities should be required to use the GHG Protocol to define and measure Scope 1, Scope 2 and Scope 3 emissions? Why or why not? Should other methodologies be allowed? Why or why not?**

- Broadly Agree

**09-CR. Please explain your answer:**

This is a well-established protocol and agree with its use.

**09-DP. (d) Do you agree with the proposals that an entity be required to provide an aggregation of all seven greenhouse gases for Scope 1, Scope 2, and Scope 3—expressed in CO2 equivalent; or should the disclosures on Scope 1, Scope 2 and Scope 3 emissions be disaggregated by constituent greenhouse gas (for example, disclosing methane (CH4) separately from nitrous oxide (NO2))?**

- Broadly Agree

**09-DR. Please explain your answer:**

For most industries, we agree that the aggregated level is appropriate and would make for more meaningful comparisons.

However, for the oil & gas industry, aggregated reporting would leave out critical information. Understanding the quality of disclosed methane emissions data is critical to assess company management of this pollutant, yet methane would be reported in aggregate CO2e, rather than by constituent gases, which potentially underestimates methane's short term climate impact, may misidentify company-specific risk exposure, and obscures differential performance assessment across companies. ISSB's methane disclosures do not provide information on whether reported data is estimated with emissions factors or direct measurement based quantification.

**09-EP. (e) Do you agree that entities should be required to separately disclose Scope 1 and Scope 2 emissions for:**

**(i) the consolidated entity; and**

**(ii) for any associates, joint ventures, unconsolidated subsidiaries and affiliates? Why or why not?**

- Broadly Agree

**09-ER. Please explain your answer:**

We support this proposal, as it would provide investors with information on the share of total GHG emissions reported from 'the consolidated accounting group (the parent and its subsidiaries)', that can be linked back to the financial statements.

**09-FP. (f) Do you agree with the proposed inclusion of absolute gross Scope 3 emissions as a cross-industry metric category for disclosure by all entities, subject to materiality? If not, what would you suggest and why?**

- Other

**09-FR. Please explain your answer:**

While we support the proposal to mandate cross-industry Scope 1 and 2 emissions reporting, we urge the IFRS to exercise caution before adopting a broad cross-industry requirement for Scope 3 emissions. It is reasonable to require reporting for the highest emitting industries and when GHG emissions reduction targets or goals include Scope 3 emissions to report their Scope 3 emissions. But for the rest, we believe that the difficulties in obtaining the necessary data from third parties and methodological uncertainties around calculating Scope 3 emissions are real and potentially costly in excess of the benefit to investors. Scope 3 disclosures should be accompanied by robust methodological explanations of the underlying inputs, assumptions and calculation methodologies used.

We encourage the IFRS to either (A) adopt an industry-specific approach, such as the SASB Standards, or (B) take more time to conduct a thorough cost-benefit analysis before adopting a cross-industry requirement for Scope 3 emissions reporting for all corporations and consider maintaining alignment with TCFD guidance.

**Question 10—Targets**
Paragraph 23 of the Exposure Draft proposes that an entity be required to disclose information about its emission-reduction targets, including the objective of the target (for example, mitigation, adaptation or conformance with sector or science-based initiatives), as well as information about how the entity's targets compare with those prescribed in the latest international agreement on climate change.

The 'latest international agreement on climate change' is defined as the latest agreement between members of the United Nations Framework Convention on Climate Change (UNFCCC). The agreements made under the UNFCCC set norms and targets for a reduction in greenhouse gases. At the time of publication of the Exposure Draft, the latest such agreement is the Paris Agreement (April 2016); its signatories agreed to limit global warming to well below 2 degrees Celsius above pre-industrial levels, and to pursue efforts to limit warming to 1.5 degrees Celsius above pre-industrial levels. Until the Paris Agreement is replaced, the effect of the proposals in the Exposure Draft is that an entity is required to reference the targets set out in the Paris Agreement when disclosing whether or to what degree its own targets compare to the targets in the Paris Agreement.

Paragraphs BC119–BC122 of the Basis for Conclusions describe the reasoning behind the Exposure Draft's proposals.

**010-AP. (a) Do you agree with the proposed disclosure about climate-related targets? Why or why not?**

- Broadly Agree

**010-AR. Please explain your answer:**

The above information will be sufficient to understand the targets set and how progress is measured.

**010-BP. (b) Do you think the proposed definition of 'latest international agreement on climate change' is sufficiently clear? If not, what would you suggest and why?**

- Broadly Agree

**010-BR. Please explain your answer:**

Yes, we believe this is sufficiently clear.

**Question 11— Industry-based requirements**
The Exposure Draft proposes industry-based disclosure requirements in Appendix B that address significant sustainability-related risks and opportunities related to climate change. Because the requirements are industry-based, only a subset will apply to a particular entity. The requirements have been derived from the SASB Standards. This is consistent with the responses to the Trustees' 2020 consultation on sustainability that recommended that the ISSB build upon existing sustainability standards and frameworks. This approach is also consistent with the TRWG's climate-related disclosure prototype.

The proposed industry-based disclosure requirements are largely unchanged from the equivalent requirements in the SASB Standards. However, the requirements included in the Exposure Draft include some targeted amendments relative to the existing SASB Standards. The proposed enhancements have been developed since the publication of the TRWG's climate-related disclosure prototype.

The first set of proposed changes address the international applicability of a subset of metrics that cited jurisdiction-specific regulations or standards. In this case, the Exposure Draft proposes amendments (relative to the SASB Standards) to include references to international standards and definitions or, where appropriate, jurisdictional equivalents.

Paragraphs BC130–BC148 of the Basis for Conclusions describe the reasoning behind the Exposure Draft's proposals to improve the international applicability of the industry-based requirements.

**011-AP. (a) Do you agree with the approach taken to revising the SASB Standards to improve the international applicability, including that it will enable entities to apply the requirements regardless of jurisdiction without reducing the clarity of the guidance or substantively altering its meaning? If not, what alternative approach would you suggest and why?**

- Broadly Agree

**011-AR. Please explain your answer:**

SASB Standards are an industry recognized framework, and we support the use of existing industry frameworks. We also support the revisions that make these more applicable internationally to ensure comparability across jurisdictions.

**011-B.**
**(b) Do you agree with the proposed amendments that are intended to improve the international applicability of a subset of industry disclosure requirements? If not, why not?**

**Please select which industries you would like to comment on. If you would like to comment on all industries select 'All industries'.**
N/A

If you do not see comment boxes for all of the industries you selected, please move to the next page(s) to view.

**011-CP. (c) Do you agree that the proposed amendments will enable an entity that has used the relevant SASB Standards in prior periods to continue to provide information consistent with the equivalent disclosures in prior periods? If not, why not?**

- Other

**011-CR. Please explain your answer:**
We have not responded to this question.

The second set of proposed changes relative to existing SASB Standards address emerging consensus on the measurement and disclosure of financed or facilitated emissions in the financial sector. To address this, the Exposure Draft proposes adding disclosure topics and associated metrics in four industries: commercial banks, investment banks, insurance and asset management. The proposed requirements relate to the lending, underwriting and/or investment activities that finance or facilitate emissions. The proposal builds on the GHG Protocol Corporate Value Chain (Scope 3) Standard which includes guidance on calculating indirect emissions resulting from Category 15 (investments).

Paragraphs BC149–BC172 of the Basis for Conclusions describe the reasoning behind the Exposure Draft's proposals for financed or facilitated emissions.

**011-D.**
**(d) Do you agree with the proposed industry-based disclosure requirements for financed and facilitated emissions, or would the cross-industry requirement to disclose Scope 3 emissions (which includes Category 15: Investments) facilitate adequate disclosure? Why or why not?**

**Please select which industries you would like to comment on. If you would like to comment on all industries select 'All industries'.**

- All industries

**011D-ALL. All industries**
We strongly support industry-based disclosure requirements for financed and facilitated emissions. However, the same concerns we shared for broad-based Scope 3 emissions would also apply to requirements for disaggregated gross absolute and intensity financed emissions Scope 3 reporting.
Many regulators and investors are now requiring this information. Policy disclosures such as ESG integration and proxy voting policies are possible at a firm level and many firms already have some form of ESG policy in place that covers these details.
We note that paragraph 6.2.1 states that "the entity is not required to provide such disclosure at the individual portfolio and/or strategy level". This guidance refers specifically to the asset manager entity rather than an investment fund producing its own financial reporting and it would be useful for the IFRS to clarify its expectations of investment funds reporting in this way as it will likely only have scope 3 financed emissions.
We are supportive of the acknowledgement under Transition Risk Exposure Paragraph 1 that financed emissions and intensities will not be able to be reported for all AUM. While there are established frameworks in place for reporting on equity and debt investments (such as the Partnership for Climate Accounting Financials (PCAF)) there is much less certainty in the industry for reporting on instruments such as derivatives, FX, interest rates and others. There are many industry groups, including SBAI, that are working on solutions to this gap in frameworks.
There may need to be an additional category for assets that are not linked to corporate entities to help explain why these metrics cannot be reported for certain entities.

**011-EP. (e) Do you agree with the industries classified as 'carbon-related' in the proposals for commercial banks and insurance entities? Why or why not? Are there other industries you would include in this classification? If so, why?**

- Other

**011-ER. Please explain your answer:**

We have not responded to this question

**011-FP. (f) Do you agree with the proposed requirement to disclose both absolute- and intensity-based financed emissions? Why or why not?**

- Broadly Agree

**011-FR. Please explain your answer:**

Yes, we agree with this approach.

**011-GP. (g) Do you agree with the proposals to require disclosure of the methodology used to calculate financed emissions? If not, what would you suggest and why?**

- Broadly Agree

**011-GR. Please explain your answer:**

Yes, reporting of the methodology is important for users of the financial statements to be able to make meaningful comparisons between investment funds.

**011-HP. (h) Do you agree that an entity be required to use the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard to provide the proposed disclosures on financed emissions without the ISSB prescribing a more specific methodology (such as that of the Partnership for Carbon Accounting Financials (PCAF) Global GHG Accounting & Reporting Standard for the Financial Industry)? If you don't agree, what methodology would you suggest and why?**

- Broadly Agree

**011-HR. Please explain your answer:**

We agree with this approach. PCAF approaches typically only consider equity or debt instruments and many alternative investment funds will invest in other instruments. Frameworks for other asset classes and instruments are still in their infancy and the flexibility to adopt new industry frameworks as they evolve is important.

**011-IP. (i) In the proposal for entities in the asset management and custody activities industry, does the disclosure of financed emissions associated with total assets under management provide useful information for the assessment of the entity's indirect transition risk exposure? Why or why not?**

- Broadly Agree

**011-IR. Please explain your answer:**

This does provide useful information; however, we caveat this with our earlier point that for many alternative investment managers a figure for total assets under management may not be possible to calculate.

Overall, the proposed industry-based approach acknowledges that climate-related risks and opportunities tend to manifest differently in relation to an entity's business model, the underlying economic activities in which it is engaged and the natural resources upon which its business depends or which its activities affect. This affects the assessment of enterprise value. The Exposure Draft thus incorporates industry-based requirements derived from the SASB Standards.

The SASB Standards were developed by an independent standard-setting board through a rigorous and open due process over nearly 10 years with the aim of enabling entities to communicate sustainability information relevant to assessments of enterprise value to investors in a cost-effective manner. The outcomes of that process identify and define the sustainability-related risks and opportunities (disclosure topics) most likely to have a significant effect on the enterprise value of an entity in a given industry. Further, they set out standardised measures to help investors assess an entity's performance on the topic.

Paragraphs BC123–BC129 of the Basis for Conclusions describe the reasoning behind the Exposure Draft's proposals related to the industry-based disclosure requirements.

While the industry-based requirements in Appendix B are an integral part of the Exposure Draft, forming part of its requirements, it is noted that the requirements can also inform the fulfilment of other requirements in the Exposure Draft, such as the identification of significant climate-related risks and opportunities (see paragraphs BC49–BC52).

**011-JP. (j) Do you agree with the proposed industry-based requirements? Why or why not? If not, what do you suggest and why?**

- Other

**011-IR. Please explain your answer:**

We support the inclusion of industry-based requirements informed by the SASB Standards.

**011-KP. (k) Are there any additional industry-based requirements that address climate-related risks and opportunities that are necessary to enable users of general purpose financial reporting to assess enterprise value (or are some proposed that are not)? If so, please describe those disclosures and explain why they are or are not necessary.**

- Other

**011-KR. Please explain your answer:**

We have not responded to this question.

**011-LP. (l) In noting that the industry classifications are used to establish the applicability of the industry-based disclosure requirements, do you have any comments or suggestions on the industry descriptions that define the activities to which the requirements will apply? Why or why not? If not, what do you suggest and why?**

- Yes

**011-LR. Please explain your answer:**

We believe that the requirements and guidance under "Asset Management & Custody Activities" could be expanded to include some specific guidance for investment funds that produce financial statements.

**Question 12—Costs, benefits and likely effects**

Paragraphs BC46–BC48 of the Basis for Conclusions set out the commitment to ensure that implementing the Exposure Draft proposals appropriately balances costs and benefits.

**012-AR. (a) Do you have any comments on the likely benefits of implementing the proposals and the likely costs of implementing them that the ISSB should consider in analysing the likely effects of these proposals?**

The proposals will help investors and other users of general purpose financial reporting by closing existing disclosure gaps. First, it will require corporations to report on their governance and management of ESG-related risks. Second, it will ensure that companies disclose information in a consistent fashion.

This information is important for investors to understand how corporations are managing ESG risks and following through on public statements via action towards set goals and is currently used by investors to make investment and voting decisions. The proposals will ease the burden on corporations that are currently providing this information in numerous formats in response to various investor questionnaires on climate information and shareholder proposals calling for this information.

Some consideration should be given to easing the burden these additional disclosures and the related audit costs would impose on small and new companies.

**012-BR. (b) Do you have any comments on the costs of ongoing application of the proposals that the ISSB should consider?**

We have no comments here.

**012-CP. (c) Are there any disclosure requirements included in the Exposure Draft for which the benefits would not outweigh the costs associated with preparing that information? Why or why not?**

- Other

**012-CR. Please explain your answer:**

We have not responded to this question.

**Question 13—Verifiability and enforceability**

Paragraphs C21–24 of [draft] IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* describes verifiability as one of the enhancing qualitative characteristics of sustainability-related financial information. Verifiability helps give investors and creditors confidence that information is complete, neutral and accurate. Verifiable information is more useful to investors and creditors than information that is not verifiable.

Information is verifiable if it is possible to corroborate either the information itself or the inputs used to derive it. Verifiability means that various knowledgeable and independent observers could reach consensus, although not necessarily complete agreement, that a particular depiction is a faithful representation.

**013-AP. Are there any disclosure requirements proposed in the Exposure Draft that would present particular challenges to verify or to enforce (or that cannot be verified or enforced) by auditors and regulators? If you have identified any disclosure requirements that present challenges, please provide your reasoning.**

- Other

**013-AR. Please explain your answer:**

For investment funds, calculation of metrics can often rely on estimated or proxy data due to lack of actual data availability. This will require some skills and expertise not only in the types of assets being traded but in how climate-related metrics would be calculated for these assets.

Frameworks for many of these assets (outside of long equities and debt positions) are still in their infancy in the alternative investment industry and verifiers would need to ensure that remain aware of these developments.

**Question 14—Effective date**
Because the Exposure Draft is building upon sustainability-related and integrated reporting frameworks used by some entities, some may be able to apply a retrospective approach to provide comparative information in the first year of application. However, it is acknowledged that entities will vary in their ability to use a retrospective approach.

Acknowledging this situation and to facilitate timely application of the proposals in the Exposure Draft, it is proposed that an entity is not required to disclose comparative information in the first period of application.

[Draft] IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* requires entities to disclose all material information about sustainability-related risks and opportunities. It is intended that [draft] IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* be applied in conjunction with the Exposure Draft. This could pose challenges for preparers, given that the Exposure Draft proposes disclosure requirements for climate-related risks and opportunities, which are a subset of those sustainability-related risks and opportunities. Therefore, the requirements included in [draft] IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* could take longer to implement.

Paragraphs BC190–BC194 of the Basis for Conclusions describe the reasoning behind the Exposure Draft's proposals.

**014-AP. (a) Do you think that the effective date of the Exposure Draft should be earlier, later or the same as that of [draft] IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information*? Why?**

- Later

**014-AR. Please explain your answer:**
As this data is more metric based than IFRS S1 it may be beneficial to apply a later effective date than IFRS S1. We also advise that the effective date for entities reporting based on the “Asset Management & Custody Activities” industry-based disclosures – including investment funds – to be set for the reporting period after other industry-based disclosures become effective. Much of the data that asset managers and investment funds will apply will require data collected from other entities reporting.

**014-BR. (b) When the ISSB sets the effective date, how long does this need to be after a final Standard is issued? Please explain the reason for your answer including specific information about the preparation that will be required by entities applying the proposals in the Exposure Draft.**
It will take entities some amount of time to prepare the disclosure for IFRS S1 and some additional amount of time to collect and then disclose the information for IFRS S2. Given the urgent need for this information, we recommend entities have only one additional 12 month reporting period before the effective date of the Exposure Draft.

**014-CP. (c) Do you think that entities could apply any of the disclosure requirements included in the Exposure Draft earlier than others? (For example, could disclosure requirements related to governance be applied earlier than those related to the resilience of an entity’s strategy?) If so, which requirements could be applied earlier and do you believe that some requirements in the Exposure Draft should be required to be applied earlier than others?**

- Other

**014-CR. Please explain your answer:**
We have not responded to this question

**Question 15—Digital reporting**
The ISSB plans to prioritise enabling digital consumption of sustainability-related financial information prepared in accordance with IFRS Sustainability Disclosure Standards from the outset of its work. The primary benefit of digital consumption of sustainability-related financial information, as compared to paper-based consumption, is improved accessibility, enabling easier extraction and comparison of information. To facilitate digital consumption of information provided in accordance with IFRS Sustainability Disclosure Standards, an IFRS Sustainability Disclosures Taxonomy is being developed by the IFRS Foundation. The Exposure Draft and [draft] IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* Standards are the sources for the Taxonomy.

It is intended that a staff draft of the Taxonomy will be published shortly after the release of the Exposure Draft, accompanied by a staff paper which will include an overview of the essential proposals for the Taxonomy. At a later date, an Exposure Draft of Taxonomy proposals is planned to be published by the ISSB for public consultation.

**015-AR. Do you have any comments or suggestions relating to the drafting of the Exposure Draft that would facilitate the development of a Taxonomy and digital reporting (for example, any particular disclosure requirements that could be difficult to tag digitally)?**

We have not responded to this question.

**Question 16—Global baseline**

IFRS Sustainability Disclosure Standards are intended to meet the needs of the users of general purpose financial reporting to enable them to make assessments of enterprise value, providing a comprehensive global baseline for the assessment of enterprise value. Other stakeholders are also interested in the effects of climate change. Those needs may be met by requirements set by others including regulators and jurisdictions. The ISSB intends that such requirements by others could build on the comprehensive global baseline established by the IFRS Sustainability Disclosure Standards.

**016-AP. Are there any particular aspects of the proposals in the Exposure Draft that you believe would limit the ability of IFRS Sustainability Disclosure Standards to be used in this manner? If so, what aspects and why? What would you suggest instead and why?**

- Other

**016-AR. Please explain your answer:**

We have not responded to this question

**Question 17—Other comments**

**017-AR. Do you have any other comments on the proposals set out in the Exposure Draft?**

The ISSB should consider providing some additional guidance on the disclosure of this information for entities such as investment funds that must incorporate data from other entities' disclosures in their own reporting.