

Consultation Paper on Sustainability Reporting

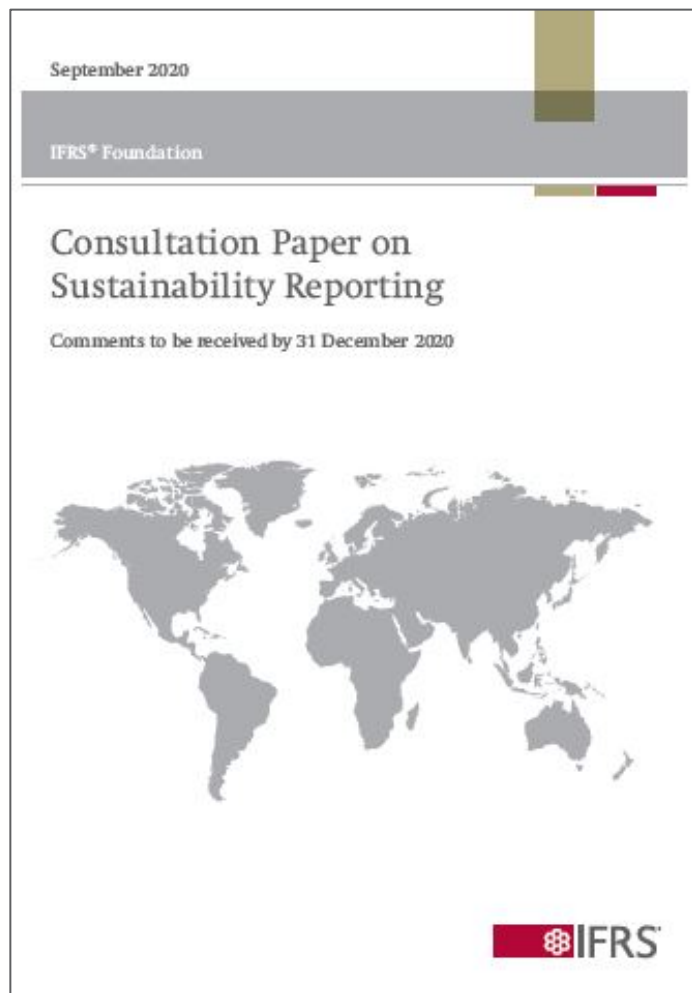


Lucrezia Reichlin
IFRS Foundation Trustee
and Chair of the
Sustainability Task Force



Larry Leva
IFRS Foundation Trustee
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Sustainability Task Force

Consultation



- Part of Trustees' five-yearly strategy review
- Accelerated focus on sustainability
- Research, analysis & initial engagement by Trustee task force
- Guided by expert advisory group
- Demand-driven
- High-level and specific questions
- Key requirements for success

Sustainability reporting

assessment of current situation



Growing and urgent demand

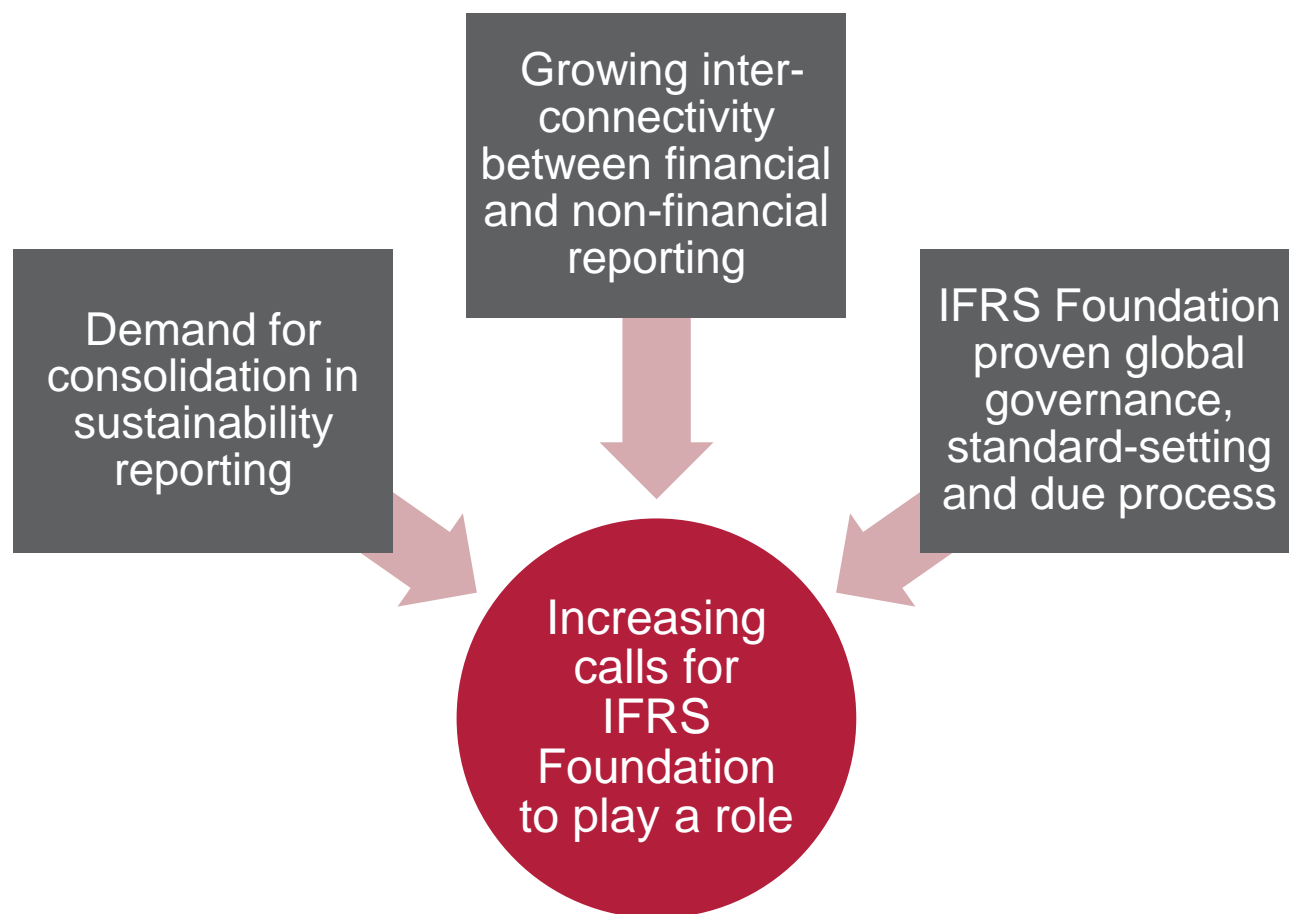


A supply side in transition



Need for consistency in reporting and comparable information

What can the IFRS Foundation contribute?



“ The IFRS Foundation, with an enhanced remit and composition, should create an International Sustainability Standards Board

IFAC, 2020

“ [A sustainability standards board could] be established within the current IFRS [Foundation’s] structures. It would be overseen by the IFRS Foundation Trustees

Accountancy Europe, 2020

High-level options considered

- 1. Maintain status quo**
- 2. Facilitate existing initiatives**
- 3. Create a Sustainability Standards Board (SSB)**
 - Within IFRS Foundation governance
 - Alongside IASB
 - Build on excellent work of existing sustainability initiatives

Requirements for SSB success

- Achieving sufficient global support
- Working with regional initiatives
- Ensuring adequacy of governance structure
- Achieving appropriate technical expertise
- Achieving level of separate funding required
- Effective synergies with financial reporting
- Ensuring current mission and resources not compromised

Key considerations



Scope: a climate-first approach



Approach to materiality



Achieving assurance

Relationships with other institutions & initiatives

Building upon:

- Task Force for Climate-related Financial Disclosures (TCFD)
- International Integrated Reporting Council (IIRC)
- Climate Disclosure Standards Board (CDSB)
- Global Reporting Initiative (GRI)
- Sustainability Accounting Standards Board (SASB)
- CDP

Providing a global platform for:

- Regional initiatives

Key questions

Is there a need for global sustainability standards?



Should the IFRS Foundation play a role?



Is a new Sustainability Standards Board within the IFRS Foundation an appropriate approach?



Views on requirements for success?

Timeline



[ifrs.org/sustainability](https://www.ifrs.org/sustainability)

Questions?



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