
Agenda paper 3

Update on the ISSB

IFRS Advisory Council
Emmanuel Faber, ISSB Chair
Sue Lloyd, ISSB Vice Chair
October 2022

Progress since COP26

Progress to date

Progress	Focus
Consulted on two proposed IFRS Sustainability Disclosure Standards	Review feedback and prepare for future consultation on agenda priorities
All ISSB Members appointed	Onboarding members
Advisory groups established	Finalise membership
CDSB and VRF consolidated	Educate on transition for Integrated Reporting Framework and SASB Standards users
Offices in Frankfurt, Montreal, San Francisco, Japan	Finalise Asia-Oceania presence
Jurisdictional Working Group formed	Ongoing meetings/SSAF
MoU signed with GRI	Ongoing ISSB-GRI engagement.

ISSB members



Emmanuel Faber
Chair



Sue Lloyd
Vice-Chair



Jingdong Hua
Vice-Chair



**Richard
Barker**



**Jenny
Bofinger-Schuster**



**Verity
Chegar**



**Jeffrey
Hales**



**Michael
Jantzi**



**Hiroshi
Komori**



**Bing
Leng**



**Ndidi
Nnoli-Edozien**



**Tae-Young
Paik**



**Veronika
Pountcheva**



**Elizabeth
Seeger**

Advisory bodies

Strategic Advisory Groups

IFRS Advisory Council

Integrated Reporting and Connectivity Council

ISSB Advisory Groups

Sustainability Standards Advisory Forum

Investor Advisory Group

Sustainability Consultative Committee

Jurisdictional Working Group

Technical Reference Group

Outreach and Feedback on ISSB Exposure Drafts

Widespread interest



1,400+ responses overall



400+ outreach events during consultation period



Feedback from wide range of stakeholder groups



Wide geographic spread

Summary of feedback



High level of interest and market engagement globally



Meeting the timeline to publish the exposure drafts by end of Q1 was positively received



Positive reception that the ISSB is **building upon** the existing body of sustainability-related financial reporting initiatives

Strong support for the ISSB's overall aim

- To develop a comprehensive global baseline of sustainability-related financial disclosures for capital markets

Continue to move at pace to issue the first standards

- Whilst emphasising the importance of timeliness and quality

Scalability of the proposals

- Questions about the application by smaller companies and those in emerging markets. Actively seeking feedback on this

Continue to work with jurisdictions

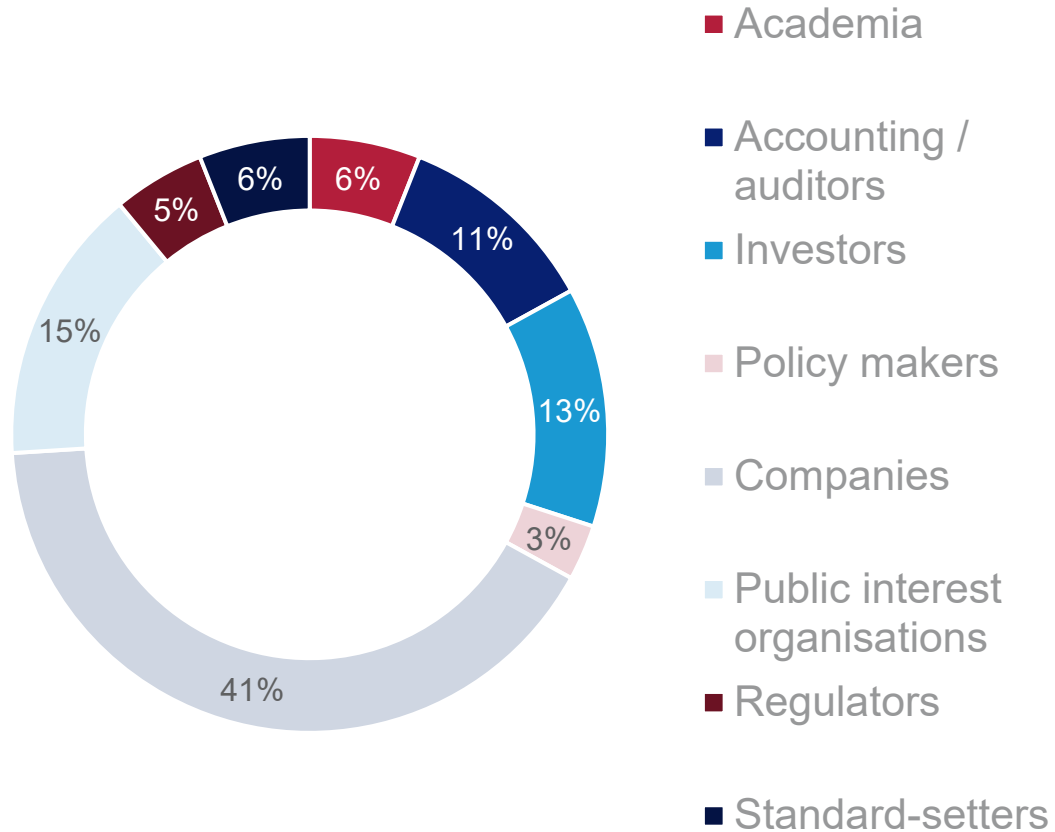
- To address differences in concepts, terminologies and definitions with jurisdictional proposals

Industry-based requirements

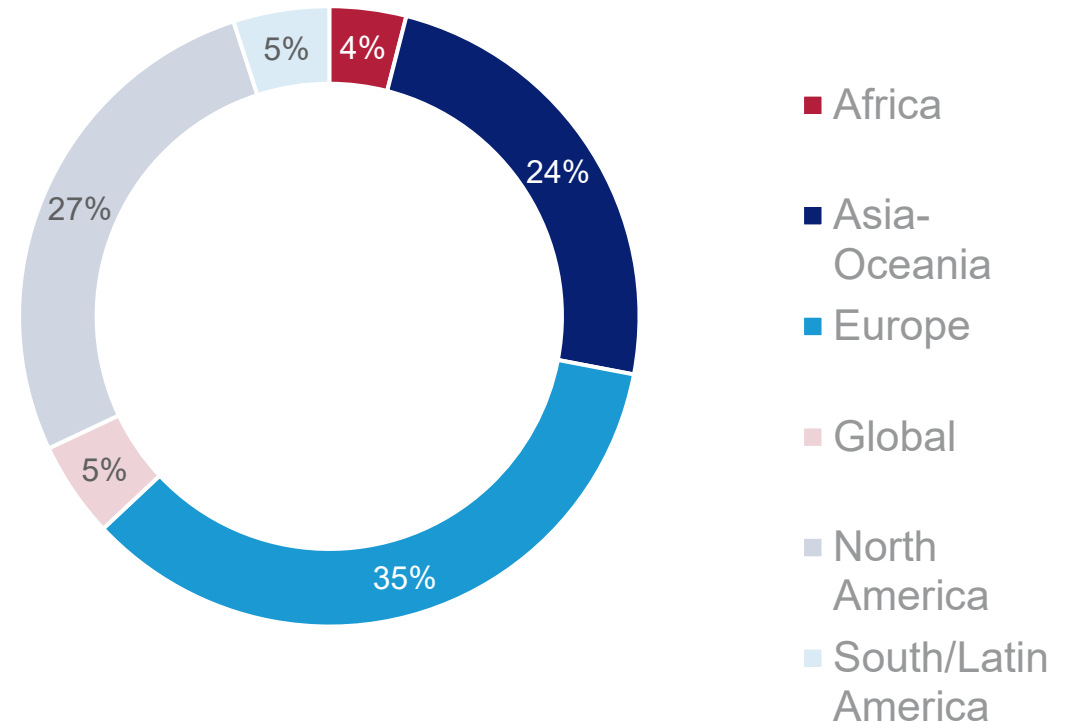
- Difference of opinions regarding the industry-based requirements

General Requirements ED responses

Stakeholder group



Geographic spread



720

High-level messages



Strong support for the **timely publication** of [draft] S1 and encouragement to continue to move at pace



Support for [draft] S1 as the overarching standard which sets out the general requirements designed to apply across the IFRS Sustainability Disclosure Standards



Most feedback relates to requests for **greater clarity, guidance and examples** to enable effective application of the proposals



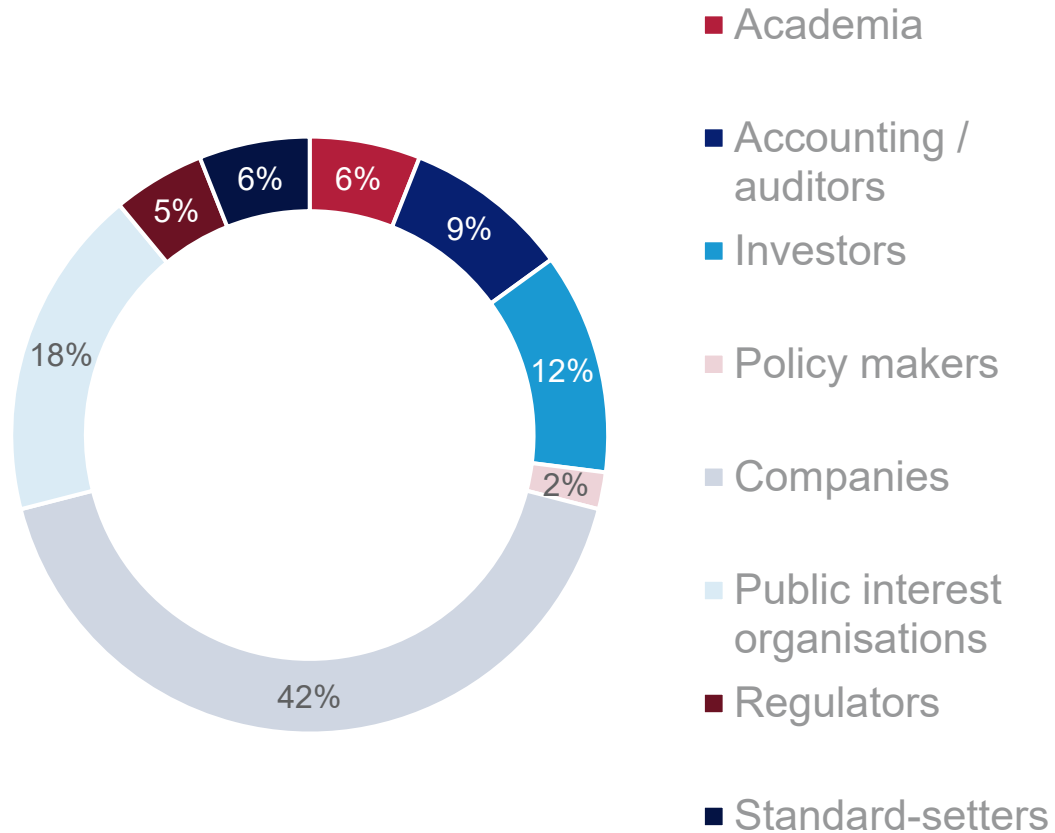
Emphasis on **the importance for connected standard-setting** to facilitate a package of financial and sustainability-related financial reporting

Climate ED responses

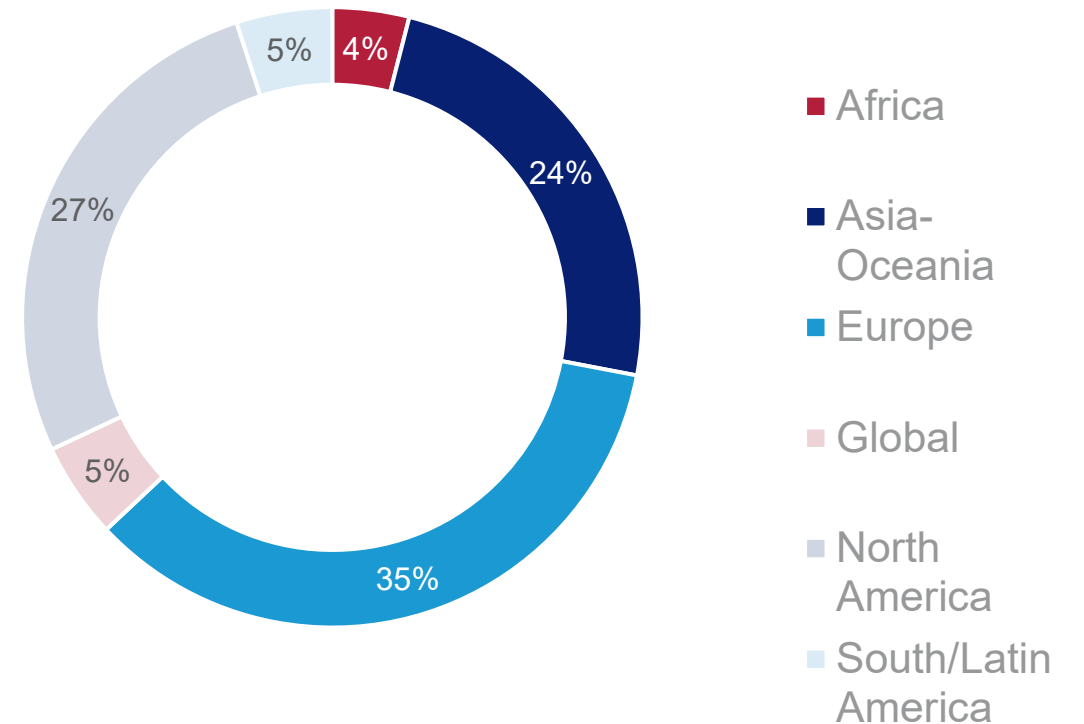


690

Stakeholder group



Geographic spread



High-level messages



The proposals in [draft] S2 were **well-received** by respondents to the consultation; in particular by investors



Respondents emphasise **the need for urgency**, citing significant risks that climate change presents to individual entities as well as to financial stability



Many respondents also asked for **greater support, guidance, and examples** to enable effective application of the proposals

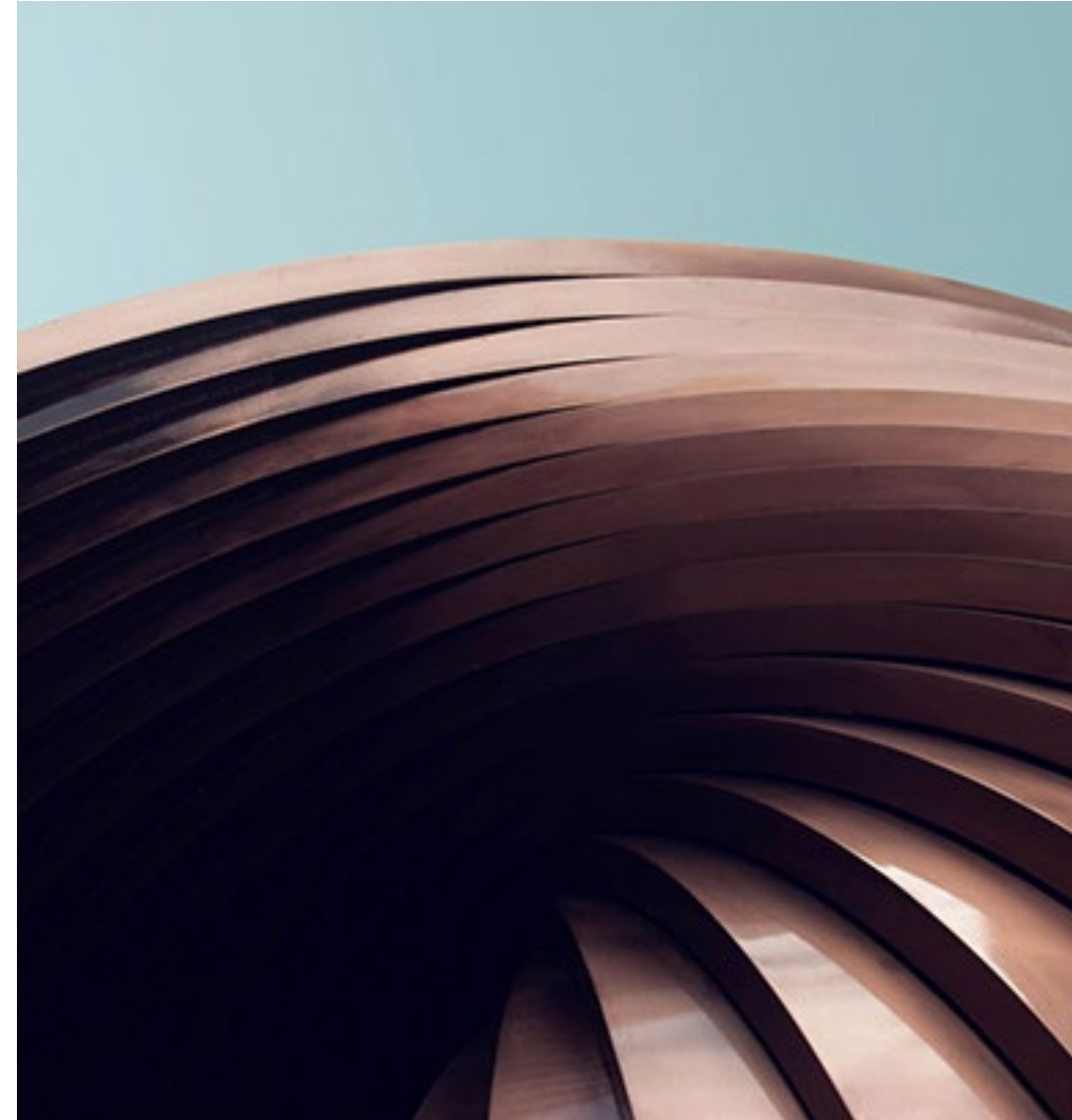


Preparers emphasise the challenges with some specific proposed requirements, and the importance of **proportionate reporting requirements** for smaller companies and in emerging economies

Next Steps

Next steps

- Aim to **complete discussions** and related decisions about the feedback on the proposed Standards by end of 2022
- Aim to **issue final Standards** as soon as possible thereafter
- Focus on properly **considering** all feedback while recognising the importance of **timeliness**
- Consult on **future agenda**
- Develop **capacity building strategy**, to support and include stakeholders in emerging and developing economies as well as smaller companies.



Thank you

