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# International Sustainability Standards Board

## —developments since COP26

Suresh Kana  
IFRS Foundation Trustee  
October 2022

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# Structure

Public accountability

IFRS Foundation Monitoring Board

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Governance, strategy, oversight

IFRS Foundation Trustees

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Independent standard-setting

International Accounting  
Standards Board (IASB)

International Sustainability  
Standards Board (ISSB)

IFRS Interpretations Committee

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## ISSB objectives



Develop standards for global baseline of sustainability disclosures, and a digital taxonomy to enable electronic tagging of information



Meet information needs of investors

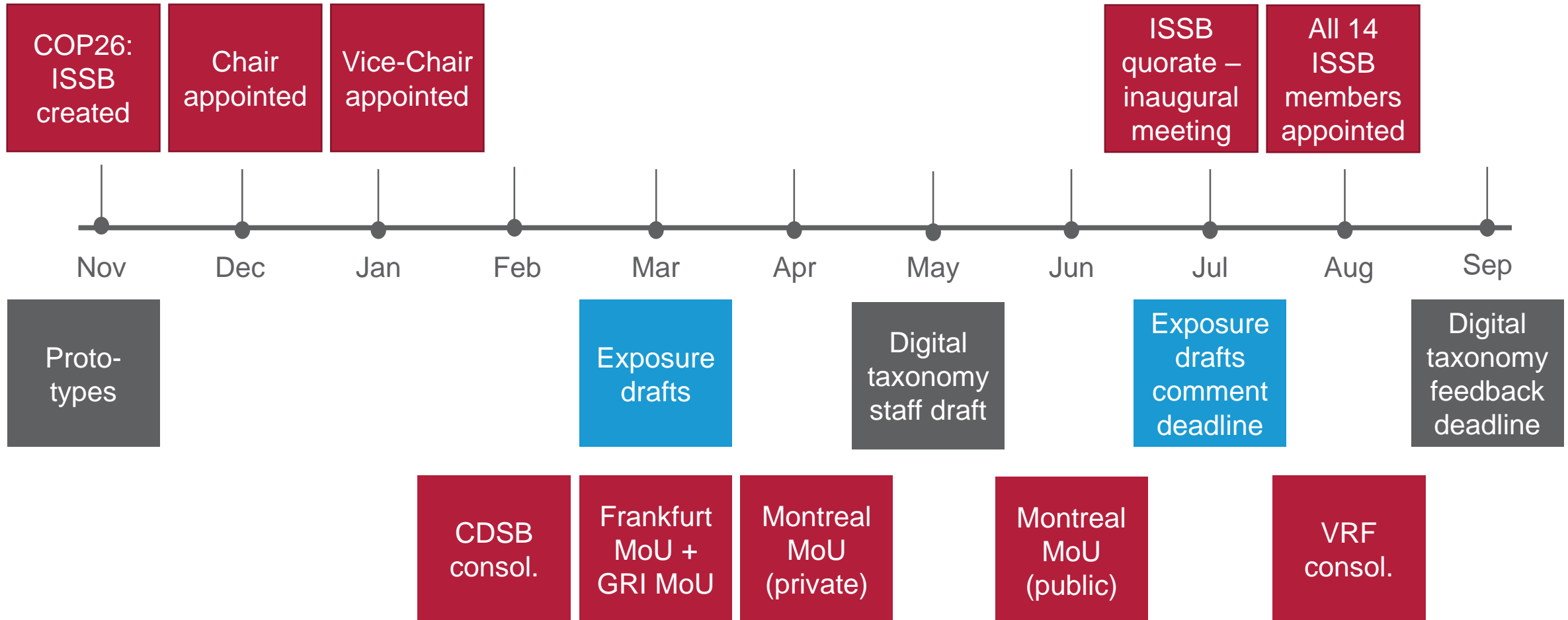


Enable companies to provide comprehensive sustainability information to global capital markets



Facilitate addition of disclosures that are jurisdiction-specific / aimed at broader stakeholder groups

# Milestones



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## 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**

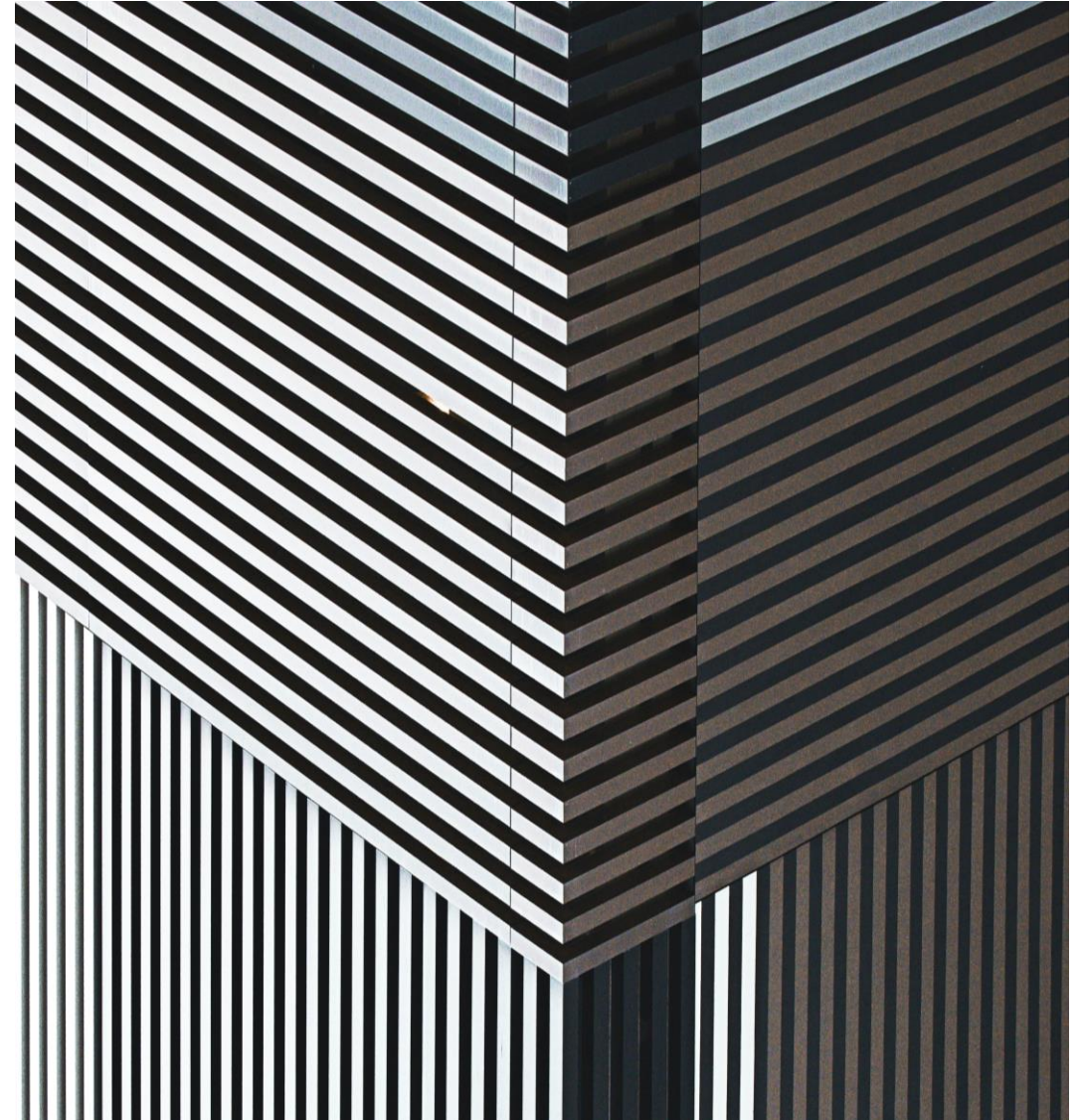


**Elizabeth  
Seeger**

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## Multi-location model

- Frankfurt
- Montreal
- London
- San Francisco
- Tokyo
- Another office in Asia-Oceania tbc





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# 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

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# Global support





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“The G7 welcomes the inauguration of the ISSB and its progress of work on the global baseline of sustainability reporting standards. We [...] call on all relevant stakeholders to participate in the ongoing consultation on the proposed standards.”

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“Support the work of the International Sustainability Standards Board (ISSB) to introduce a global baseline of sustainability disclosures to meet the needs of capital markets, which will enhance transparency, accountability, efficiency and comparability across market[s].

Early adoption by African jurisdictions and companies has the potential to attract more investment and to boost private sector development in Africa. We urge the ISSB to work closely with African stakeholders and to provide strong advisory and capacity building support to achieve early adoption of the ISSB standards in Africa.”

Communiqué from International Cooperation Forum and Meeting of African Ministers of Finance, Economy and Environment, September 2022

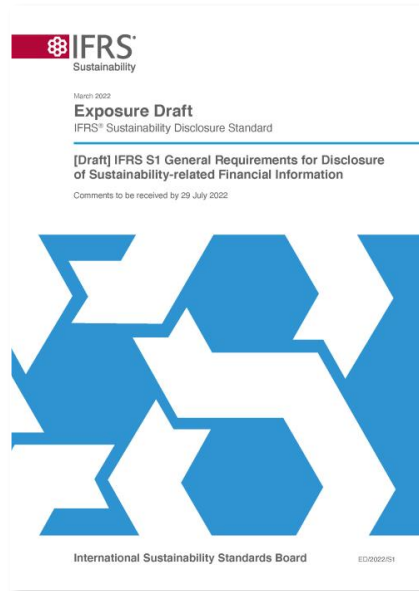
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## Exposure drafts & consultation feedback



# Consultation on the first two proposed Standards

1



*General Requirements*  
Exposure Draft

2

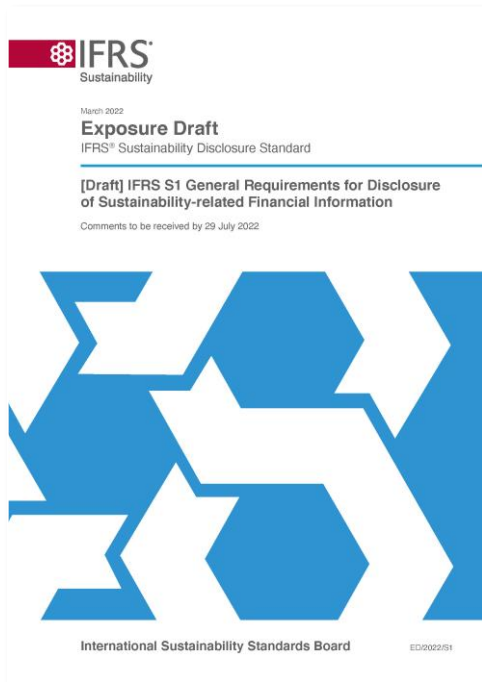


*Climate*  
Exposure Draft

**Published**  
31 March 2022

**Closed**  
29 July 2022

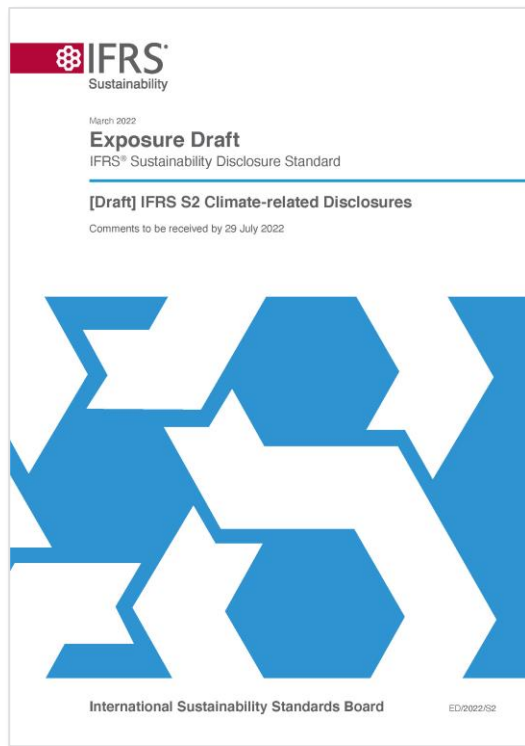
# Proposed General Requirements Standard



Requires companies to provide material information on all significant sustainability-related risks and opportunities necessary to assess enterprise value.

- Other IFRS Sustainability Disclosure Standards (e.g. Climate Standard) set out specific disclosures
- Points to other standards and frameworks in absence of a specific IFRS Sustainability Disclosure Standard
- Sets out general reporting requirements (e.g. location and timing of the reporting)
- Equivalent to IFRS Accounting Standards IAS 1 and IAS 8

# Proposed Climate-related Disclosures Standard



Disclosure of material information about significant climate-related risks and opportunities.

- Incorporates TCFD Recommendations
- Includes SASB Standards climate-related industry-based requirements
- Requires disclosure of information about
  - Physical risks (e.g. flood risk)
  - Transition risks (e.g. regulatory change)
  - Climate-related opportunities (e.g. new technology)

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## Consultation feedback – 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

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## Next steps & how to stay informed



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## Next steps



Complete discussions on consultation feedback around end of 2022



Issue final Standards as early as possible in 2023



Consult on proposed digital taxonomy once Standards are issued



Consult on future priorities

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## Observe ISSB's meetings



20-23 September (Frankfurt)  
Complete. Recording available online



w/c 17 October (Montreal)



w/c 14 November (Frankfurt)



w/c 12 December (Montreal)

Observe online:

[ifrs.org/news-and-events/calendar](https://www.ifrs.org/news-and-events/calendar)

- papers published a week in advance
- summary published within a week

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## Listen to our monthly ISSB podcast

- **Who:** ISSB members
- **When:** available after every ISSB meeting
- **What:** highlights from meeting and other developments
- **How long:** 15-20 minutes
- **Where:** IFRS Foundation website, podcast providers, YouTube



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Thank you

