



Progress update

IFRS[®] Sustainability Disclosure Standards

September 2022



ISSB™ September '22 summary

This month's focus

Discussing the **themes of comment letters received** – agreeing the areas where change is needed; before diving into detail on **financed emissions** and how to ensure that the standards are **scalable** for all types of global company.

Final standards
“as early as possible”
in 2023

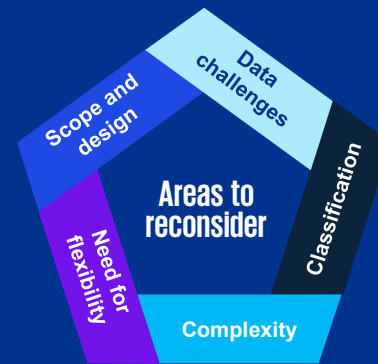
Latest status

after International Sustainability Standards Board (ISSB) meeting in September

Financed and facilitated emissions

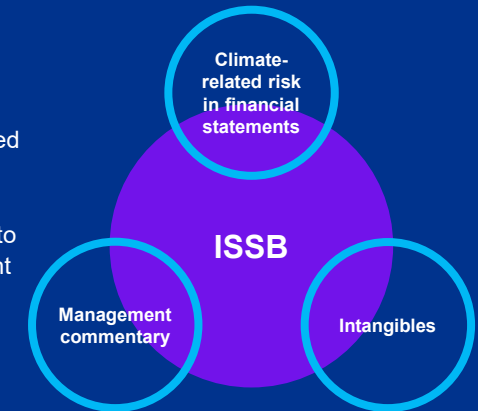
A complex but important indicator of transition risk exposure for banks, insurers and asset managers.

The ISSB discussed areas of the proposals that require further analysis.



ISSB and IASB collaboration

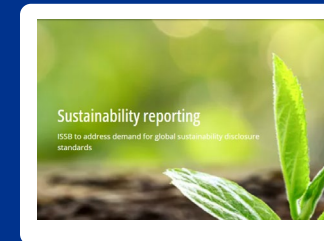
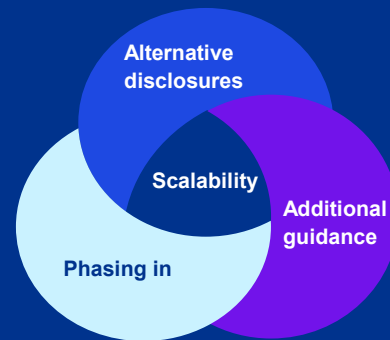
The feedback encouraged the International Accounting Standards Board (IASB) and ISSB to work together on relevant projects.



Scalability

Ways to make the standards feasible for all types of company – whether that is in the early years, or more permanently.

The ISSB considered three ways it could support companies to apply the standards.



For more information visit our Sustainability Reporting page

Resources on ISSB and other sustainability reporting topics. Bookmark the page – we will be providing regular articles, blogs and podcasts to track the development of the standards.

Comment letter feedback summary

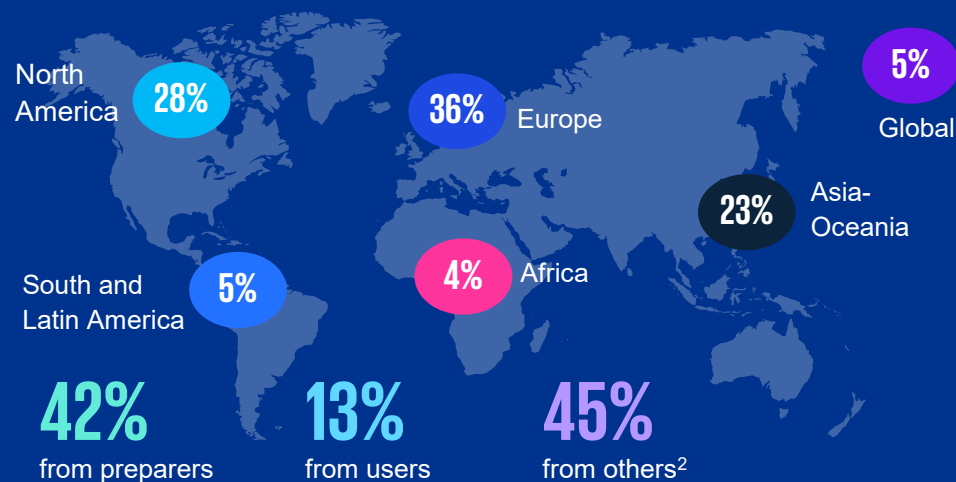
1,435

comment letters and survey responses

Almost all respondents supported¹

- Building on the **TCFD framework**
- Creating a **global baseline**
- Achieving **inter-operability** with US and EU requirements

Engagement from across the globe



¹ This slide summarises the ISSB's own analysis of feedback received. 'Almost all' is defined as 'all except a very small minority'. Interoperability with EFRAG and SEC proposals was highlighted as important by almost all European and US respondents respectively

² Including public interest groups, accountants and academics, standard setters, regulators and policy-makers

³ Potential additional project not included in staff paper or Board vote

Action list

key areas chosen for redeliberation

GENERAL REQUIREMENTS

- ✓ **Scope and breadth of reporting** – Five topics including application of materiality, value chain reporting, and the meaning of terms including 'enterprise value' and 'significant'
- ✓ **Connected information** between topics and with the financial statements, plus **IASB collaboration***
- ✓ **Frequency of reporting** including location requirements
- ? **Comparative reporting** including restating prior period estimates³

CLIMATE

- ✓ Disclosures on **strategy, decision making, and transition plans and targets**
- ✓ **Climate resilience** and scenario analysis
- ✓ **GHG emissions**, particularly Scope 3
- ✓ **Industry-specific topics**, including **financed and facilitated emissions***

CROSS CUTTING

- ✓ **Scalability*** of the standards for all types of global company
- ✓ **Financial effects** of sustainability- and climate-related risks and opportunities

* Discussed in September meeting



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