
ISSB Meeting

Date	14 September 2023
Project	International Applicability of SASB Standards
Topic	Project update: results of recent comment period
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This paper has been prepared for discussion at a public meeting of the International Sustainability Standards Board (ISSB). This paper does not represent the views of the ISSB or any individual ISSB member. Any comments in the paper do not purport to set out what would be an acceptable or unacceptable application of IFRS[®] Sustainability Disclosure Standards. The ISSB's technical decisions are made in public and are reported in the ISSB *Update*.

Agenda

1. Overview

2. Key takeaways

3. Next steps

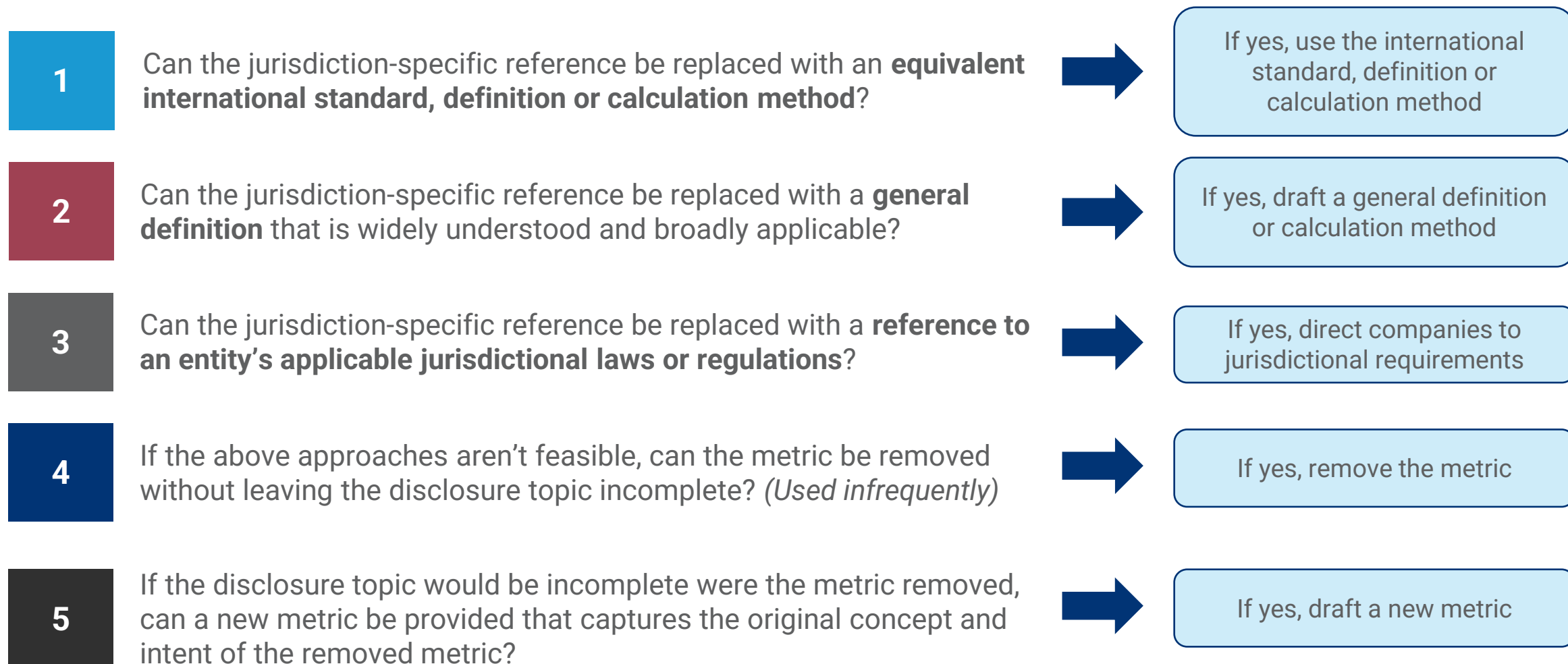
Overview



Methodology Exposure Draft overview

- 1 Revising **jurisdiction-specific non-climate content** in the SASB Standards
 - Methodology aims to enhance international applicability of non-climate metrics
 - Climate-related metrics were revised and published separately in June to align SASB Standards with the *Industry-based Guidance on Implementing IFRS S2*
 - ISSB ratified these revisions in May based on SASB Board Advisor Group recommendation
 - 2 Objective is removing and replacing jurisdiction-specific terms of references **without significantly altering structure, sectors, industries, topics or metrics**
 - 3 Enhancing international applicability to **help preparers implement IFRS S1**
-

Methodology proposes five cascading revision approaches



*In practice, Revision Approaches 1 – 3 are often used **in combination***

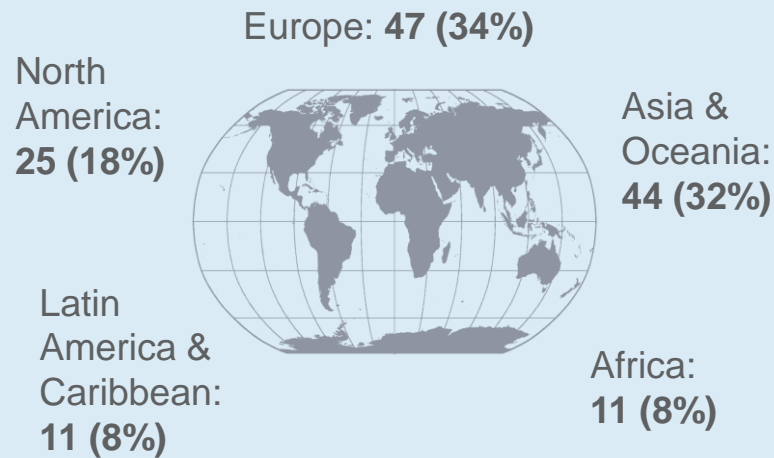
Methodology Exposure Draft respondents

Summary statistics

- 148 responses from 138 unique respondents

Some respondents submitted a survey and comment letter.

Jurisdictional spread



Stakeholder breakdown

	Count	%
Preparers	43	31%
Accounting profession and auditors	27	20%
Standard-setters	20	14%
Investors	19	14%
Public interest	15	11%
Regulators	5	4%
Commercial partners	4	3%
Academia	3	2%
Student	1	< 1%
Policy makers	1	< 1%
Grand Total	138	100%

Feedback broadly supported the ISSB's direction of travel

Almost all respondents **agreed:**



Methodology enhances international applicability



Scope and objectives of the methodology are clear



Current constraints of the objective are appropriate



Revision approaches are sequenced appropriately

Some respondents also provided feedback on the following considerations outside the scope of the ED



External references

to third-party frameworks or standards outside of the ISSB's control



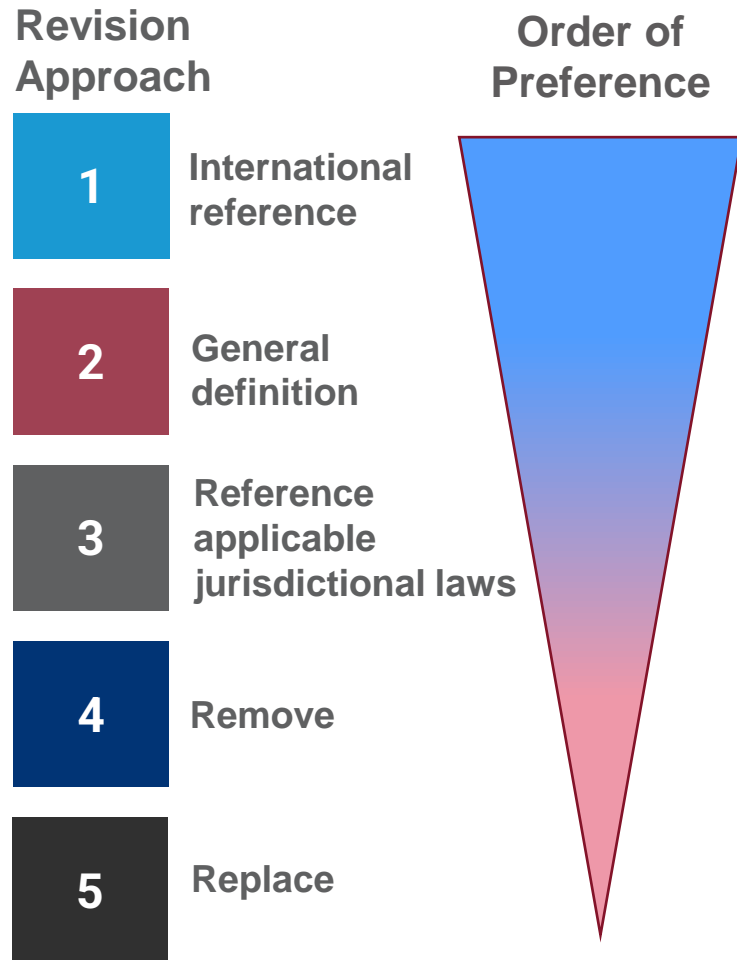
Public notice period

the nature and length of time that the updated Standards are made public prior to finalisation

Key takeaways



Stakeholders supported the proposed hierarchy of revision approaches



- Overall, respondents were supportive of the Revision Approaches while noting potential trade-offs between them
- Most respondents agreed Approaches 2 and 3 should follow Approach 1
- Some respondents thought using international frameworks in Approach 1 might increase reporting burden for preparers with existing jurisdictional reporting requirements
- Some respondents noted Approach 3 may not result in cross-jurisdictional comparability
- Some current SASB reporters were concerned Approach 4 may hinder comparability with previous SASB reporting and Approach 5 may increase their reporting burden

Comments regarding the use of external references



Many respondents noted that references to third-party frameworks outside the control of the ISSB could pose challenges for **jurisdictional adoption**



Some respondents suggested that a **process** be established to routinely review and update these references



A few respondents noted that some third-party references are behind a **paywall** (ex: IEA Dataset) which could be costly or burdensome

Mixed feedback regarding timing



Most respondents stated their **support for the ISSB's plan to expediently finalise revisions** to the SASB Standards to support application of IFRS S1



Some standard-setters, accountants and auditors stated **concern that a 30-day public notice period may not be sufficient** given the volume of content



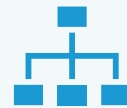
Some respondents **requested additional data** be released with the blacklines for editorial review on the frequency and basis for each revision approach

Respondents requested clarity re: ISSB's strategy



Clarify direction

short, medium, and long-term strategy for SASB Standards



Structure

of future ISSB Standards (approach to thematic and industry-based requirements)

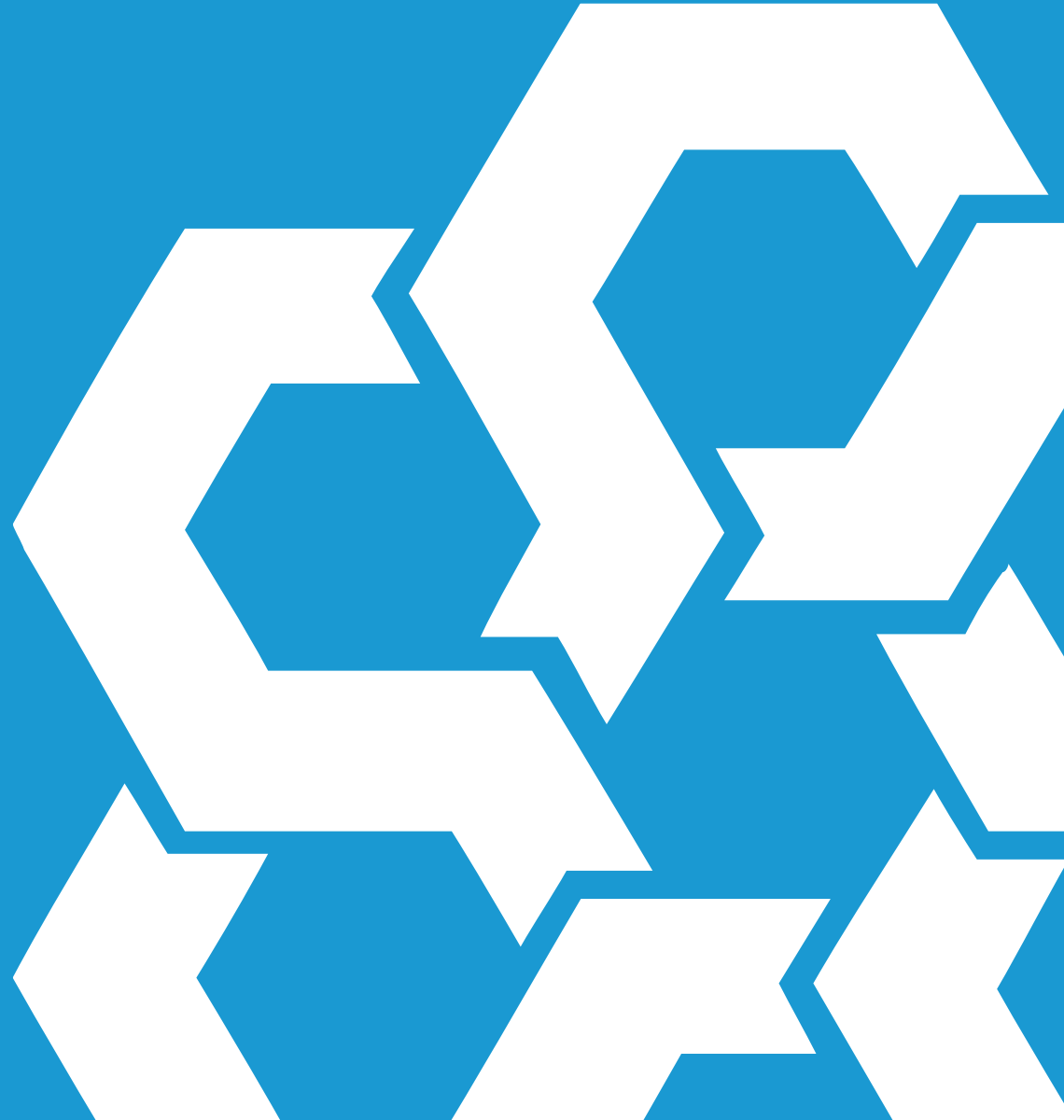


Interoperability

with anticipated GRI and ESRS sector-specific standards

Staff notes that **next steps for SASB Standards will be informed by the results of the ISSB's consultation** on agenda priorities

Next steps



Staff perspective and next steps

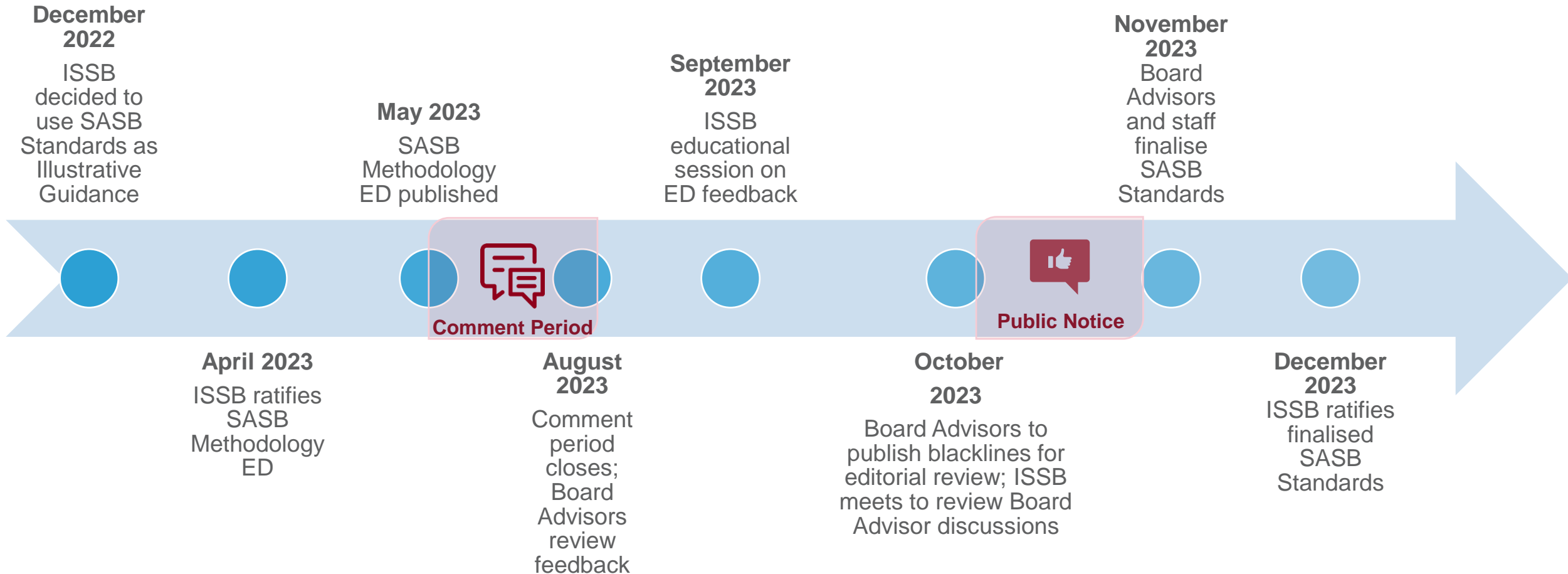
Staff perspective

- Staff's initial conclusion is that the balance of feedback was **supportive of the methodology** and associated timeline
- Staff believes that there are a number of additional actions the SASB Board Advisor Group should **consider over the medium term** to respond to feedback outside the scope of the Methodology ED

Next steps

- SASB Board Advisors plan to:
 - continue to **review and discuss the feedback received**
 - provide ISSB with a **status update at October board meeting**
 - review **blacklines for editorial review** prior to making the Standards publicly available before finalisation
 - seek **ISSB ratification of updated Standards** in December

Int'l Applicability of SASB Standards project timeline



ISSB discussion

- Does the ISSB have any questions regarding the feedback received during the public comment period?
- Does the ISSB have suggestions for how the staff and SASB Board Advisors should approach finalising its application of the methodology?



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