



Setting the standards for sustainability-related reporting

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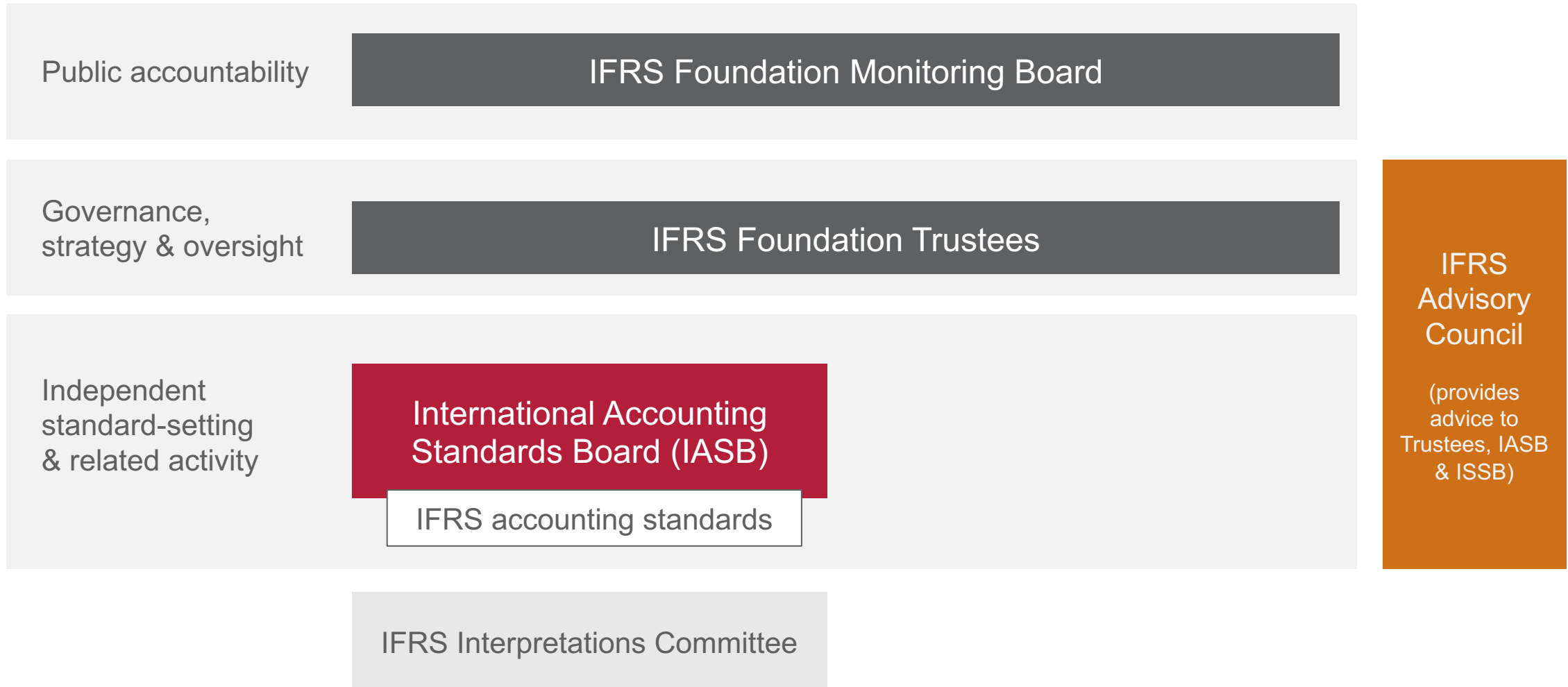
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Introduction

“Demand from private investors and public policymakers is accelerating the search for consistent global practices of reporting climate- and sustainability-related data by companies and other financial market participants”

- How to get there?
- In 2020 the IFRS started a consultation and then launched a project to establish a standard setter board for globally consistent reporting on climate and other sustainability matters
- The establishment of this board will be announced at COP-26 in Glasgow on November 3rd

IFRS three-tier structure



Strategic decisions

1. Investor focused

2. Build on existing investor-focused frameworks

3. Global baseline

4. Climate first, not climate only

2. Build on existing investor-focused frameworks



3. Global baseline

Sustainability reporting (broader multi-stakeholder focus)

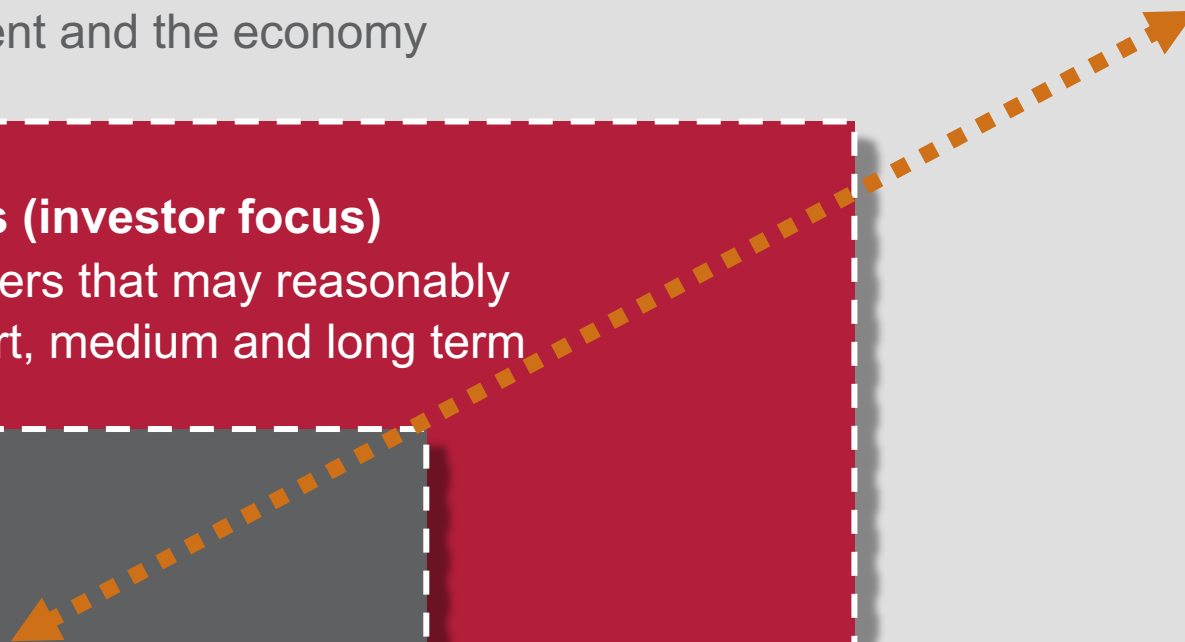
Reporting on all sustainability matters that reflect significant positive or negative impacts on people, the environment and the economy

Sustainability-related financial disclosures (investor focus)

Reporting on those sustainability-related matters that may reasonably create or erode enterprise value over the short, medium and long term

Financial reporting (investor focus)

Reflected in monetary amounts in the financial statements

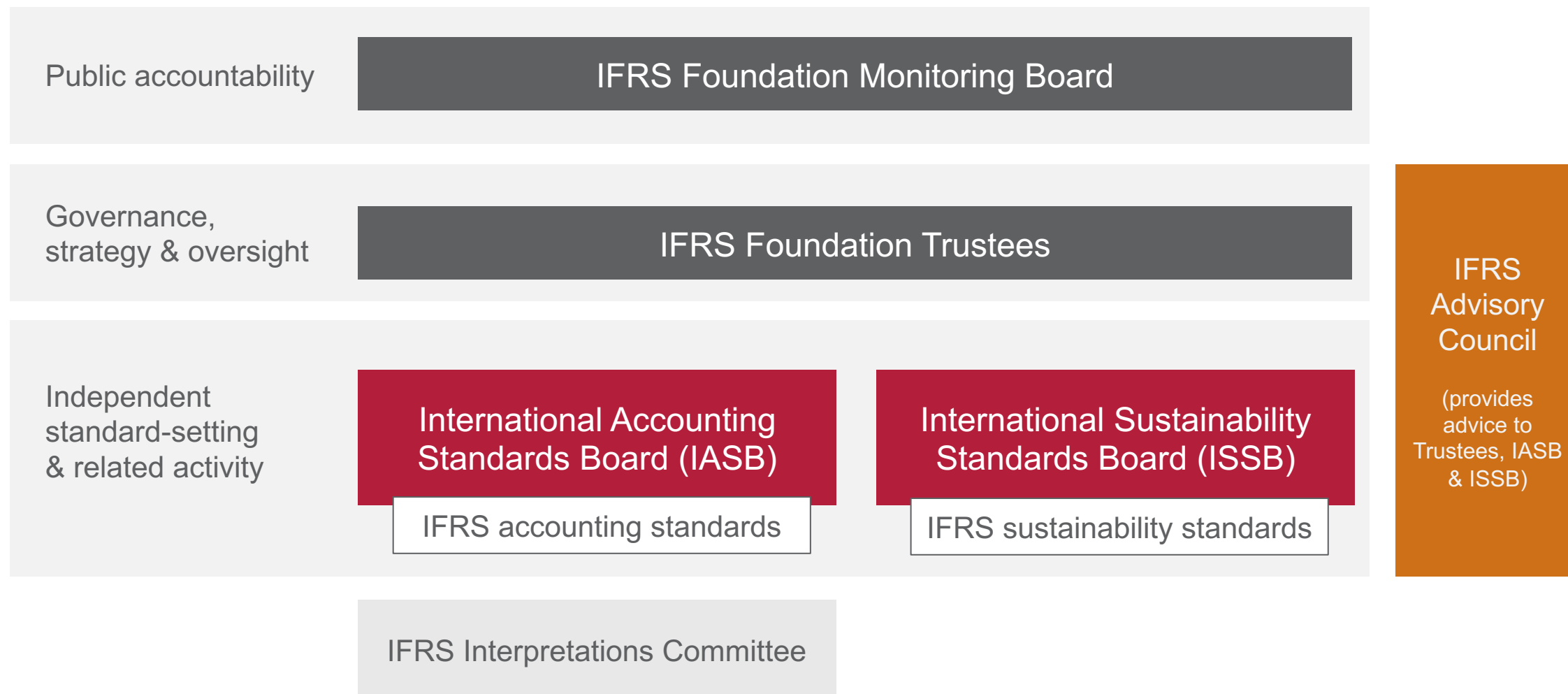


4. Climate first, not climate only

- Begin with climate-related disclosures
- Move at pace with other sustainability-related disclosures, where there is global investor need
- Leveraging work of existing standard-setters



Proposed organisational structure



State of the project

- Advanced stage in consolidation with other standard setters and production of prototypes that will be provided to the proposed Board
- Several jurisdictions expressed interest to host a board location and provide seed capital, we are conducting the evaluation
- Progressing the search for Chair and Vice-Chair
- Multilateral working group (UN, IMF, OECD and World Bank) developing approach to providing link for proposed Board (with investor focus) and broader sustainability
- Engage with international organizations for support, in particular strict collaboration with IOSCO and FSB
- Engagement with major jurisdictions for designing cooperation on the development of the global baseline
- Intention is to announce the ISSB at COP26 November 3rd in Glasgow