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## ISSB Agenda consultation Cover Note

### Objective

1. The objective of this session is to collect initial reactions from the SRB members to the upcoming ISSB Agenda consultation, allowing the EFRAG Secretariat preparing the draft comment letter.

### Background of the ISSB project

2. The ISSB will undertake an agenda consultation by way of an Request for Information (RFI) to inform its work plan for the two-year period following the consultation.
3. The IFRS Foundation Due Process Handbook specifies that the objectives of the agenda consultation are to seek formal public input on:
  - a. the strategic direction and balance of the ISSB's activities (ie resources allocated to foundational work vs. new research and standard-setting);
  - b. the suitability of criteria the ISSB uses in assessing the priority of new research and standard setting projects that could be added to the ISSB's work plan; and
  - c. the proposed list of new research and standard-setting projects that could be added to the ISSB's work plan.
4. The agenda consultation focuses on activities intended to deliver a comprehensive global baseline of sustainability-related financial disclosures that meet the information needs of an entity's existing and potential investors, lenders and other creditors.
5. The final outcome of the agenda consultation will be the establishment of the ISSB's work plan and associated activities for a two-year period. This period will commence during 2024 following approval of the work plan by the ISSB.
6. The standard setting projects proposed:
  - a. biodiversity, framed as a broad topic including ecosystems, ecosystem services and other nature-related issues;



- b. human capital, with a particular focus on diversity, equity and inclusion (DEI); and
- c. human rights, particularly in the context of the value chain, with a focus on worker or labour rights and community rights (for example, basic needs).
- d. A joint project with the IASB on connectivity in reporting, building on the IASB's Management Commentary project and the Integrated Reporting Framework.

## Background of the EFRAG discussions

- 7. SR TEG members received an overview of the upcoming ISSB consultations (including the consultation relating to the internationalization of SASB standards) in their meeting of 24 April 2023. Reactions received:
  - a. Clarification was asked on the relationship between the consultation on internationalisation of SASB standards and the workflow on human capital.
  - b. SR TEG members had different views on which of the items should be prioritised.

### Questions for EFRAG SRB

- 8. Which preliminary views on the upcoming RFI consultation do SRB members want to be reflected in EFRAG's DCL?

