
Sustainability Standards Advisory Forum meeting

Date	February 2025
Project	Sustainability Standards Advisory Forum (SSAF)
Topic	Agenda planning and meeting summaries
Contacts	Samuel Prestidge (sprestidge@ifrs.org) Nicholas McInnis (nicholas.mcinnis@ifrs.org)

This paper has been prepared for discussion at a public meeting of the Sustainability Standards Advisory Forum (SSAF). This paper does not represent the views of the International Sustainability Standards Board (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.

Introduction

1. This paper summarises the input provided by Sustainability Standards Advisory Forum (SSAF) members from the October 2024 SSAF meeting, including how that has informed the work of the International Sustainability Standards Board (ISSB). This paper also addressed the potential agenda topics for the next SSAF meeting, which is tentatively scheduled for 13-14 May 2025.

Agenda planning

2. The ISSB staff anticipates that the following topics would be most relevant at the next SSAF meeting:
 - (a) enhancements to the SASB Standards;
 - (b) the ISSB research projects; and
 - (c) the development of Educational Material to support the implementation of the ISSB Standards.
3. The ISSB staff anticipates that the May 2025 SSAF meeting will be held virtually.
4. The staff welcomes SSAF members' views on any additional topics that members would like to discuss.

Meeting summary

11-12 October 2024

5. The SSAF held its sixth meeting virtually on 21–22 October 2024. SSAF members discussed the following items:
- (a) the development of IFRS Foundation educational material;
 - (b) the jurisdictional survey to inform ISSB research projects;
 - (c) embedding interoperability into the ISSB’s ongoing work—research projects; and
 - (d) enhancing the SASB Standards.

Update on educational material

6. In October 2024, SSAF members received an update on educational material as part of the ISSB’s work to support the implementation of IFRS S1 and IFRS S2.¹ The update included an overview of:
- (a) educational material published and in development; and
 - (b) an overview of the three Transition Implementation Group on IFRS S1 and IFRS S2 (TIG) meetings held in 2024.
7. SSAF members were asked to share feedback on educational material published and in development, as well as matters in IFRS S1 and IFRS S2 for which educational material should be developed.
8. SSAF members shared their support for the educational material published and in development. Some members shared their aim to develop educational material on sustainability disclosure in relation to local specific laws or regulations that apply in their jurisdictions and to explain how these build on the general requirements of ISSB Standards.

¹ Supporting materials for IFRS Sustainability Disclosure Standards can be found at <https://www.ifrs.org/supporting-implementation/supporting-materials-for-ifrs-sustainability-disclosure-standards/>

9. Some SSAF members sought clarification on how discussions at the Transition Implementation Group (TIG) meetings can inform the work of the ISSB. Staff highlighted that the ISSB is regularly informed of the TIG discussions, whilst the agenda papers and meeting summaries are not authoritative but are useful for stakeholders to consider when applying the ISSB Standards.
10. Some SSAF members requested guidance on reporting Scope 3 greenhouse gas emissions for small and medium-sized enterprises (SMEs), clarifying the expectations for disclosure of GHG emissions in comparison to larger corporations. Relevant to this point, educational material on proportionality was published on 23 January 2025.²
11. SSAF members also shared their interest in the translation of educational material to other languages. Some SSAF members asked about whether translated captions for IFRS webcasts may become available and whether non-English resources may be added to the IFRS Foundation Knowledge Hub.
12. SSAF member feedback has further informed the ISSB's work to support the implementation of IFRS S1 and IFRS S2. The educational material on materiality was published on 19 November 2024.³ An overview of this Educational Material will be provided at the February 2025 SSAF meeting.

Jurisdictional survey to inform ISSB research projects

13. In October 2024, SSAF members received an overview of the jurisdictional survey conducted to inform the ISSB's research projects on biodiversity, ecosystems and ecosystem services (BEES) and human capital. SSAF members were asked to provide feedback on any key

² In January 2025, the IFRS published educational material on proportionality to help companies with different levels of capability and preparedness to apply the ISSB Standards. The educational material can be found at <https://www.ifrs.org/supporting-implementation/supporting-materials-for-ifrs-sustainability-disclosure-standards/ifrs-s1-and-ifrs-s2/webcast-proportionality-mechanisms-ifrs-sustainability-disclosure-standards/>

³ In November 2024, the IFRS published educational material on materiality to help companies with identifying and disclosing material information about sustainability-related risks and opportunities that could reasonably be expected to affect their cash flows, their access to finance or cost of capital over the short, medium or long term. The educational material can be found at <https://www.ifrs.org/content/dam/ifrs/supporting-implementation/issb-standards/issb-materiality-education-material.pdf>

themes in the analysis of the jurisdictional survey and to identify potential areas for follow up.

14. SSAF members shared support for and feedback on the responses to the jurisdictional survey. SSAF members were pleased to see that most jurisdictions have existing requirements on BEES and human capital topics.
15. Some SSAF members requested a more detailed analysis of common disclosure requirements between jurisdictions on BEES and human capital respectively and inquired on the possibility for ISSB staff to assess what level of commonality exists for BEES and human capital disclosures to inform the development of a global baseline in those areas. Staff emphasised that it is still premature to draw conclusions from this assessment, but that the responses to the jurisdictional survey will further inform the ISSB's research. The October 2024 ISSB paper on *Overview: Jurisdictional survey on biodiversity, ecosystems and ecosystem services and human capital* further highlighted the results of the survey.⁴
16. Some SSAF members noted the extent to which existing disclosure requirements on BEES and human capital provide sufficient information for understanding risks and opportunities of entities beyond fulfilling compliance requirements, including as it relates to the disclosure of geolocation of activities for BEES topics. In response, staff commented on findings that two disclosures of location-based activities were identified through the jurisdictional survey—water-stressed areas and biodiversity-valuable areas. Staff emphasised that the research projects will assess whether and how existing requirements meet the information needs of investors.
17. Some SSAF members asked how the research projects on BEES and human capital interact and intersect with the ISSB's work to enhance the SASB Standards. Staff explained that the research projects and enhancements to the SASB Standards are happening in parallel and informing each other, while emphasising that there are BEES and human capital-related disclosures in the SASB Standards. Staff is working to identify areas specific to BEES and

⁴ In October 2024, Agenda Paper 3 and 4 *Overview: Jurisdictional survey on biodiversity, ecosystems and ecosystem services and human capital* outlines the responses to the jurisdictional survey on the ISSB's research projects. This ISSB paper can be found at <https://www.ifrs.org/content/dam/ifrs/meetings/2024/october/issb/ap3-ap4-bees-human-capital.pdf>

human capital in the SASB Standards that will be consulted on in the next year and how this will inform the research projects on BEES and human capital. Moreover, concurrent horizon-scanning activities on BEES and human capital and on SASB enhancements aim to complement each other and identify potential gaps in disclosure.

18. SSAF members shared comments on the location of disclosure on BEES and human capital, for example. Staff commented on the connection between financial reporting and sustainability disclosures and highlighted that the next steps of the jurisdictional survey may seek to better understand the location and required intended audience of disclosures on BEES and human capital.
19. The ISSB staff will utilise the information gathered through the survey to further inform its research on BEES and human capital. For example, the ISSB staff might consider:
 - (a) Information on exiting jurisdictional requirements to complement its work on the current state of BEES and human capital related disclosure; and
 - (b) Jurisdictional research to inform and complement ISSB research on, for example, implications on entities' prospects of, evidence of investors' interest in and current state of disclosure of BEES and human capital-related risks and opportunities.

Embedding interoperability into the ISSB's ongoing work—research projects

20. In October 2024, SSAF members received an overview of how interoperability will be embedded into the ISSB's ongoing work, including its research projects on BEES and human capital, specifically with consideration to work with the European Financial Reporting Advisory Group (EFRAG) and the Global Reporting Initiative (GRI). SSAF members also had the opportunity to hear from EFRAG and GRI in relation to BEES and human capital-related topics in the European Sustainability Reporting Standards (ESRS) and the GRI Standards.
21. Some SSAF members emphasised the importance of interoperability considerations being taken at the start of the standard-setting process. Staff emphasised that this consideration is key in the ISSB's ongoing work and noted the aim of coordinating work and the timing of that work with EFRAG and GRI to reduce the risk of fragmentation and reduce complexity.

The July ISSB paper on *Embedding interoperability in the ISSB's ongoing activities* emphasises that the ISSB will continue to seek opportunities to build on existing sustainability disclosure standards or frameworks when this will result in information that the ISSB determines is decision-useful for investors and appropriate for inclusion in ISSB Standards given their scope and focus.⁵

22. Some SSAF members shared that some stakeholders in their jurisdictions have difficulty understanding the term 'interoperability'. Given this, some stakeholders may find it difficult to understand how future thematic ISSB Standards will aim to achieve interoperability with ESRS and GRI Standards.
23. Some SSAF members inquired on plans for an analysis or mapping between the SASB Standards and GRI sector standards, including information as it relates to how much impact-related information from the GRI Standards is considered financially material in the SASB Standards. ISSB staff highlighted past joint work between the Sustainability Accounting Standards Board (SASB) and the GRI as it relates to technical mapping between the two sets of standards. Staff also noted that, in the context of the ISSB's work to enhance the SASB Standards, the ISSB will be thinking about the extent to which there are opportunities to make improvements to the SASB Standards in a way that could improve alignment with other standards including GRI. GRI staff noted that, in developing GRI sector standards, the GRI sought involvement from the SASB on its pilot projects. GRI staff also noted that the GRI sees potential overlap with SASB on a number of sector standards.

Enhancing the SASB Standards

24. In October 2024, SSAF members received an update from the ISSB technical staff regarding future enhancements to the SASB Standards. The update provided an overview of the SASB enhancements work, including:
 - (a) the priority sectors identified for enhancement;

⁵ In July 2024, Agenda Paper 2A *Embedding interoperability in the ISSB's ongoing activities* provides an overview of the role of interoperability in the context of the ISSB's objective of developing standards that provide a global baseline of sustainability-related information for capital markets. This ISSB paper can be found at <https://www.ifrs.org/content/dam/ifrs/meetings/2024/october/issb/ap3-ap4-bees-human-capital.pdf><https://www.ifrs.org/content/dam/ifrs/meetings/2024/july/issb/ap2a-interoperability.pdf>

- (b) the relationship between the SASB enhancements and the research projects; and
 - (c) the timeline for the two-year work plan.
25. SSAF members shared their support for the SASB enhancements and highlighted the importance of this project. Some SSAF members observed good alignment between their priorities and the sectors prioritised by the ISSB, while other members stated that the priority sectors do not align fully with the largest sectors in their jurisdictions. Some SSAF members offered to provide more feedback to help assess the extent to which the enhancements to additional priority sector standards are useful for listed companies in their jurisdictions.
26. Some SSAF members noted that some companies in their jurisdiction(s) had challenges in implementing the Sustainable Industry Classification System[®] (SICS), specifically noting that:
- (a) pension funds are not easily classified using SICS;
 - (b) preparers in emerging markets and developing markets may find some SASB Standards to be less useful in identifying sustainability-related risks and opportunities because of their position in the value chain; and
 - (c) there are differences between SICS and the classification systems mandated for use in SSAF members' jurisdictions.
27. Staff agreed there may be a need for more guidance for pension funds that are applying the ISSB Standards, and ISSB members discussed the ways in which the value chain considerations raised by SSAF members could be addressed, including through additional guidance regarding use of the SASB Standards.
28. Staff also highlighted the educational material on *Using the SASB Standards to meet the requirements in IFRS S1*. This educational material was published in February 2024.⁶

⁶ IFRS S1 references the SASB Standards as a source of guidance that companies are required to consider when identifying sustainability-related risks and opportunities and determining the information to disclose about those risks and opportunities. In February 2024, the IFRS published educational material to help companies using the SASB Standards to meet the requirements in IFRS S1. The educational material can be found at <https://www.ifrs.org/content/dam/ifrs/supporting-implementation/ifrs-s1/using-sasb-standards-for-ifrs-s1.pdf>

29. Previous feedback from the SSAF has informed:
- (a) the overall objective of SASB enhancements work;
 - (b) the ISSB’s prioritisation approach (industries, overlap with work from other standard setters); and
 - (c) staff recommendations regarding initial priority industries.
30. The staff aims to continue to engage the SSAF in various aspects of the SASB Enhancements project, including:
- (a) input on priority industries;
 - (b) SICS enhancements; and
 - (c) future priorities.