

29 July 2022

International Sustainability Standards Board
Columbus Building
7 Westferry Circus, Canary Wharf
London, E14 4HD

Submitted by email: commentletters@ifrs.org

Copy to: Australian Accounting Standards Board by email: standard@aab.gov.au

AUSTRALIAN SHAREHOLDERS' ASSOCIATION – CONSULTATION ON EXPOSURE DRAFT ON IFRS S1 AND IFRS S2

Dear Board members

The Australian Shareholders' Association (ASA) represents its members to promote and safeguard their interests in the Australian equity capital markets. The ASA is an independent not-for-profit organisation funded by and operating in the interests of its members, primarily individual and retail investors, self-managed superannuation fund (SMSF) trustees and investors generally seeking ASA's representation and support. For context, the Australian share market has in excess of 6 million retail shareholders, with 35% of the adult population holding exchange listed investments¹. ASA also represents those investors and shareholders who are not members, but follow the ASA through various means, as our relevance extends to the broader investor community.

Thank you for the opportunity to submit comments to the *International Sustainability Standards Board (ISSB) on the Exposure Draft on IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information ([Draft] IFRS S1) and Exposure Draft IFRS S2 Climate-related Disclosures ([Draft] IFRS S2)* (exposure draft).

We are party to the joint submission by the peak Australian bodies and reiterate our full support of a global approach to the development of sustainability disclosure standards and are supportive of the ISSB being the global body to issue these standards.

We value the development of a globally consistent, comparable, reliable, and verifiable corporate reporting system to provide all stakeholders with a clear and accurate picture of an organisation's ability to create sustainable value over time.

¹ [ASX Australian Investor Study 2020](#)

We consider it critical that the ISSB and other jurisdictions developing sustainability standards take a coordinated approach to enhance understanding and comparability of disclosures for retail shareholders by aligning key definitions, concepts, terminologies, and metrics on which disclosure requirements are built.

ASA's ESG focus issue for 2022 is as follows:

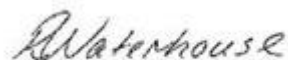
We expect companies to incorporate sustainability and ESG strategy, practice and reporting in an appropriate, effective way using a recognised standard such as Task Force on Climate-related Financial Disclosures or Global Reporting Initiative. We will review the monitored companies with an eye for efficient use of company resources and avoidance of greenwashing, and to assess the impact of remuneration plans on driving a culture of sustainability.

We expect that the evolution in sustainability reporting will be valuable to aid retail shareholders long-term investment decisions, and the comparability will enhance efficiency for companies in meeting disclosure expectations.

For greater detail, please see the joint submission by the peak Australian bodies.

If you have any questions about these comments or other matters, please do not hesitate to contact me (ceo@asa.asn.au), or Fiona Balzer, Policy & Advocacy Manager (policy@asa.asn.au).

Yours sincerely



Rachel Waterhouse
Chief Executive Officer
Australian Shareholders' Association