

Global accounting bodies applaud the efforts of the ISSB and the launch of its first two sustainability disclosure standards



A statement from the Chief Executives of the Global Accounting Alliance (GAA) to the accountancy profession

The Global Accounting Alliance (GAA) applauds the significant efforts undertaken by the International Sustainability Standards Board (ISSB) to release the inaugural IFRS Sustainability Disclosure Standards (Standards) - IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures* – less than two years after the board’s formation in November 2021.

The ISSB was established in response to a global call for decision-useful, cost-effective, and market-informed standards that reduce fragmentation in the reporting landscape. As a profession, we have been actively involved in helping to shape these Standards which will provide a global baseline of sustainability disclosures for the capital markets and enable consistent, comparable, and high-quality sustainability reporting.

We are pleased that the Standards:

- support compatibility with jurisdictional requirements and the GRI Standards;
- include proportionality mechanisms to enable companies of varied sizes and capabilities to apply the Standards, as well as provide transitional reliefs and additional guidance;
- support assurance services; and
- include industry-based metrics as examples through non-mandatory guidance to help companies disclose information most relevant to investors.

We look forward to the benefits the implementation of these standards will bring to global capital markets, including giving investors robust and comparable information as a basis for making informed investment decisions and comparing sustainability performance amongst companies. We also recognize investor sustainability information needs beyond climate and look forward to engaging with the ISSB on its future work plan and priorities.

Role of the accounting profession

The global accounting profession has an important public interest responsibility. Professional accountants play a critical role in the integrity and effective functioning of our capital markets and these standards will enhance confidence in sustainability information. As finance and accounting professionals, our members have an important role to play in the effective implementation of and in providing assurance services over these new standards.

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As the chief executives of global professional accountancy bodies, we commit to:

- building knowledge and understanding of these new Standards.
- supporting the development of educational resources and implementation support to strengthen organizational capacity to report in line with these two Standards or, where appropriate, other jurisdictional sustainability reporting standards.
- supporting the alignment of jurisdictional requirements with the global baseline of sustainability disclosures developed by the ISSB.

About the Global Accounting Alliance

Working together, we are the chief executives of 10 of the world's leading accounting institutes, representing over 1,400,000 members in over 180 countries around the globe. We have joined together as the GAA to serve the public interest by leading the advancement of a high-quality accounting profession by sharing information and collaborating on international issues important to the profession.

