



8 August 2022

FAO: EFRAG  
35 Square de Meeûs,  
B-1000  
Brussels  
Belgium

[Via online survey](#)

Dear EFRAG Sustainability Reporting Board,

### **Consultation: Public consultation on the first set of Draft ESRS**

The Corporate Reporting Users' Forum (CRUF) welcomes the opportunity to provide EFRAG with our comments on the first set of Draft EU Sustainability Reporting Standards.

CRUF has responded to the [recent consultations from International Sustainability Standards' Board \(ISSB\)](#) on general sustainability disclosures (IFRS S1) and climate-related disclosures (IFRS S2). We would like to share our views with EFRAG on what we, as users of corporate reporting, see as a critically important issue in the development of sustainability reporting standards.

The current sustainability reporting landscape is untenable for users of corporate reporting as there are significant gaps in the sustainability information reported by companies and reporting across entities is inconsistent. This makes our roles as investors and analysts difficult as we do not always have the information we need for our investment analysis and decision making.

At our CRUF ESG subgroup<sup>1</sup> meetings, we often discuss the urgent need for consistency and comparability across corporate sustainability reporting. We therefore are supportive of the global baseline approach that the ISSB has proposed as a way to ensure comparability across a core of sustainability information and set of metrics. However, we also have concerns with the draft standards as you will see in our response to the ISSB.

We encourage EFRAG to align their standards with the ISSB's baseline, resolve some of the issues with sustainability standards that we have highlighted and would like to see a clearer indication of how consistency can be ensured, to give investors greater confidence in the reliability, consistency and comparability of the reporting that companies produce.

We would welcome the opportunity to discuss this or other issues with the EFRAG Sustainability Standards Board. We would also like to extend a general invitation to join us at a CRUF ESG subgroup meeting, which we hold three to four times a year.

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<sup>1</sup> The CRUF ESG subgroup focuses on environmental, social and governance (ESG) matters that should be disclosed in published corporate information and are potentially material to valuation or making investment decisions. CRUF ESG's focus, therefore, is on all ESG information materially relevant to making valuation or investment decisions: financial, non financial and relating to historic and future periods.



## About the Corporate Reporting Users' Forum (CRUF)

The CRUF was set up in 2005 by users of financial reports to be an open forum for learning about and responding to the many accounting and regulatory changes that affect corporate reporting. In particular, participants are keen to have a fuller input into the deliberations of accounting standard setters and regulators. CRUF participants include buy and sell-side analysts, credit ratings analysts, fund managers, investors and corporate governance professionals. Participants focus on equity and fixed income markets. The Forum includes individuals with global or regional responsibilities and from around the world, including Australia, Canada, France, Germany, Hong Kong, India, Japan, New Zealand, South Africa, UK and USA.

The CRUF is a discussion forum. Different individuals take leadership in discussions on different topics and in the initial drafting of representations depending on their area of interest or expertise. In our meetings around the world, we seek to explore and understand the differences in opinions of participants. The CRUF does not seek to achieve consensus views, but instead we focus on why reasonable participants can have different positions. Furthermore, it would not be correct to assume that those individuals who do not participate in a given initiative disagree with that initiative. Also, it would not be correct to assume that nonparticipants agree with the initiative. This response is a summary of the range of opinions discussed at the CRUF meetings held in the CRUF ESG subgroup and provided by participants in drafting the response. Differences of opinion are noted where applicable.

Participants take part in CRUF discussions and joint representations as individuals, not as representatives of their employer or other organisations they are a member of or associated with. Accordingly, we sign this letter in our individual capacity as participants of the Corporate Reporting Users' Forum and not as representatives of our respective employer or other organisations.

Kind regards,

Charles Henderson

Ralf Frank

Lothar Weniger, ALIAG

Peter Parry

Chie Mitsui

Masayuki Kubota, CFA