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Executive Committee

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Berlin, 2. Februar 2026

Dear Madam/Sir,

Re.: Nomination of DRSC for membership of the SSAF

The German Standard Setter DRSC (Deutsches Rechnungslegungs Standards Committee) hereby submits its application for membership in the Sustainability Standards Advisory Forum (SSAF) for the forthcoming term starting in 2026.

After the initial phase of developing the IFRS Sustainability Disclosure Standards IFRS S1 and IFRS S2, the focus of preparers and users is increasingly shifting towards implementation, interpretation, and the interaction of the global baseline and jurisdictional reporting requirements. In this context, the advisory role of the SSAF remains highly relevant and will likely be even more important from the perspective of the increasing number of users of these standards. The DRSC is able and willing to support the IFRS Foundation in this regard through an SSAF membership.

Strategic and technical relevance of SSAF and how the DRSC will contribute

The DRSC values the Foundation's aim to ensure diverse perspectives, particularly those grounded in extensive national experience. This will become increasingly relevant as the focus of sustainability standard-setting shifts from initial standards' development towards implementation, maintenance, targeted amendments and global interoperability. In this phase, structured and technically robust input from national standard setters with hands-on experience in implementing sustainability reporting requirements is indispensable.

The DRSC operates at the intersection of IFRS Sustainability Disclosure Standards (IFRS SDS), European Sustainability Reporting Standards (ESRS), and national implementation. Specifically, the DRSC works closely with EFRAG and other standard setters, practitioners, auditors, investors as well as the German federal government and other stakeholders on standard setting and implementation aspects. In addition, due to their international orientation many of our German constituents operate in

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jurisdictions which require or suggest the application of IFRS SDS. Therefore, the DRSC not only closely follows and supports the development of IFRS SDS but also discusses application issues and intends to contribute globally relevant questions to the discussion in the ISSB and its committees. For example, the DRSC plans to place a significant focus on the aspect of anticipated financial effects in this year.

Building on an extensive international engagement, the DRSC discusses financial reporting issues with a large number of globally active German constituents and plays a leading role in shaping the sustainability reporting debate in Germany and beyond. Through its active involvement in European and international standard-setting and implementation discussions, the DRSC contributes German and European perspectives to the global sustainability reporting debate. As a result, our expertise spans both strategic standard-setting considerations and practical implementation challenges, making it particularly relevant to the SSAF's advisory role.

Commitment to the objectives of the IFRS Foundation and the ISSB

The DRSC is a long-standing active supporter of the IFRS Foundation and its standard-setting bodies. It firmly supports the ISSB's mandate to develop standards that will result in a high-quality, comprehensive global baseline of sustainability disclosures focused on the information needs of investors and the financial markets, while enabling interoperability with jurisdictional reporting regimes.

The need for a common global language for sustainability reporting has become increasingly evident. Companies operating across multiple jurisdictions require consistent and comparable disclosures to meet the information needs of investors and other capital market participants. Global standards not only reduce complexity and duplication for preparers, but also enhance transparency, reliability, and decision-usefulness of sustainability information worldwide. By providing a coherent framework, they enable alignment between international requirements, such as IFRS Sustainability Disclosure Standards, and jurisdictional reporting regimes.

In the European context, the DRSC has consistently advocated a solution-oriented approach to reporting requirements and to interoperability between IFRS SDS and ESRS under the Corporate Sustainability Reporting Directive (CSRD).

Fulfilment of SSAF membership criteria

The DRSC confirms its readiness to sign the Memorandum of Understanding pertaining to SSAF membership and to comply with all obligations set out in the SSAF Terms of Reference. Outlined below is how the DRSC meets all criteria for SSAF membership.

Technical competence

- The DRSC is recognised by the German Federal Ministry of Justice as the official standard-setting organisation for corporate reporting in Germany under section 342q of the German Commercial Code.



- Sustainability reporting has been fully integrated into the DRSC's standard-setting activities since 2021 and is institutionally anchored through a dedicated Sustainability Reporting Technical Committee. This Committee works closely with the Financial Reporting Technical Committee. Together, these two committees form the Joint Technical Committee, which deals with all technical issues that concern both financial and sustainability reporting.
- The DRSC develops authoritative comment letters through discussions with the multistakeholder Technical Committees and working groups, conducts outreach events, preparer forums, and conferences, and actively engages with stakeholders to gather the views of the broad constituency and to shape the understanding and consistent application of sustainability reporting standards. In addition, the DRSC actively fosters research and dialogue with academia, collaborating with universities and research institutions to advance methodological approaches, assess emerging reporting practices, and integrate scientific insights into standard-setting and guidance.

Capacity and resources

- Sustainability reporting is resourced and prioritised at the same level as financial reporting, reflecting its importance within the DRSC.
- Members of the Sustainability Reporting Technical Committee are distinguished external experts representing preparers, auditors, investors, academics and other stakeholder groups. The work of this Committee is supported by experienced senior DRSC staff.
- The DRSC reaffirms its ability and commitment to actively participate in SSAF meetings, including all necessary preparatory work as well as the funding of travel and accommodation.

Knowledge and experience relevant to ISSB standard-setting

- Over the last two decades, Germany has developed best practice in management reporting which contains elements of sustainability reporting. Furthermore, many German listed companies have a long-standing tradition of voluntarily applying sustainability reporting guidance and are therefore among the global leaders in the application of sustainability-related disclosure practices. Building on this experience, these companies now bring deep expertise in implementing the ESRS, while also navigating the complexities and challenges posed by subsidiaries operating across multiple jurisdictions.
- The DRSC plays a central role in coordinating and articulating German views on sustainability reporting at both international and European level.
- The DRSC is represented across the EFRAG governance and technical bodies and plays a substantive role in shaping EFRAG's sustainability reporting work. This broad and continuous involvement allows the DRSC to contribute coherently to both strategic and technical discussions and to shape the European sustainability reporting developments.
- We are recognised for our proactive and forward-looking approach to sustainability standard-setting. The DRSC engages early with emerging issues, anticipates implementation challenges and promotes solution-oriented discussions, thereby supporting timely and well-informed standard-setting processes.



- A key element of the DRSC's contribution is the provision of technically robust and practice-oriented input to consultations. This does not only include regular submissions to the ISSB itself but also targeted submissions to the Technical Implementation Group (TIG), notably on topics such as anticipated financial effects, where the DRSC has consistently highlighted critical issues and proposed pragmatic approaches to enhance operability and decision-usefulness.
- The DRSC maintains a close and cooperative relationship with the ISSB, actively dedicating significant resources to its standard-setting processes and initiatives. Together with the ISSB, the DRSC organises joint outreach events and conferences, helping to disseminate ISSB activities and guidance throughout Germany and the wider European reporting community. Through these collaborative efforts, as well as participation in consultations and technical projects, the DRSC is fostering greater understanding of ISSB activities.
- Particularly, the DRSC has made a significant contribution to the establishment and further development of the Sustainability Standards Conference (SSC) and has actively supported initiatives aimed at strengthening the visibility and practical uptake of ISSB activities in Frankfurt. These efforts contribute to building a strong European ecosystem for global sustainability standards.
- We maintain close and long-standing links with the academic and research community. This strong connection supports evidence-based standard-setting and enables the DRSC to integrate academic insights into its technical work and policy positions. In addition, we are an active part of the Memorandum of Understanding with Goethe University Frankfurt, collaborating on research projects, knowledge exchange, and events that advance both the academic study of sustainability reporting and its practical application in standard-setting.
- Furthermore, considerable effort has been dedicated to SASB-related workstreams, including detailed consultation responses, structured outreach, and the systematic collection and analysis of feedback from the German reporting community on industry-specific disclosure requirements. These activities have not only informed ISSB deliberations but also provided detailed, practice-oriented evidence of the German community's perspectives. By bringing together national insights and actionable recommendations, the DRSC demonstrates its commitment to supporting the ISSB's standard-setting process and enhancing the practical relevance and consistent application of the SASB Standards as an element of the global baseline.
- In the European context, the DRSC has been a strong driver of the current revision of the ESRS and advocates a high level of interoperability in the development of ESRS and IFRS SDS which supports the establishment of implementable reporting requirements. This engagement reflects the DRSC's commitment to minimising reporting complexity while preserving the objective of high quality ESRS as well as the integrity of the global baseline.

Contribution to geographical balance and European perspectives

The DRSC maintains a close cooperation with other European national standard setters through EFRAG bodies and the Consultative Forum of Standard-Setters (CFSS). It actively contributes to the exchange of views across Europe and is well placed to



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articulate European perspectives that are constructive, technically grounded and supportive of the global baseline approach.

The DRSC believes that its participation in the SSAF would strengthen the forum's ability to address interoperability challenges in a pragmatic and forward-looking manner.

Designated representative

Membership is sought based on organisational representation. The DRSC designates its President, Georg Lanfermann, as its representative to the SSAF. Mr Lanfermann has led the transformation of the DRSC's sustainability reporting activities and brings extensive experience in standard-setting, European sustainability reporting governance, and capital market-oriented corporate reporting. In performing this role, he can draw on the expertise of the DRSC's Technical Committees and consultation bodies, which, as described above, actively involve a wide range of stakeholders, enabling him to provide well-founded, consolidated positions on specific issues. His full professional background is provided in the attached curriculum vitae.

Closing remarks

The DRSC appreciates the careful consideration to the composition of the SSAF. It respectfully submits that, in the current phase of the ISSB's work, experience derived from the implementation of jurisdictional sustainability reporting requirements, particularly the ESRS, can provide valuable insights for the further development and maintenance of IFRS SDS.

The DRSC would be honoured to support the ISSB through membership of the SSAF and stands ready to contribute constructively to its work.

Yours faithfully,



Georg Lanfermann
President



Sven Morich
Vice-President