
IFRS Sustainability Reference Group

Quarterly Meeting

June 2025

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Overview

1. General updates for members
2. Amendments to IFRS S2 Exposure Draft
3. SASB Standards Update and Upcoming Exposure Drafts
4. Update on research projects
5. Update on disclosures about transition plans

1. General updates for members



Objectives

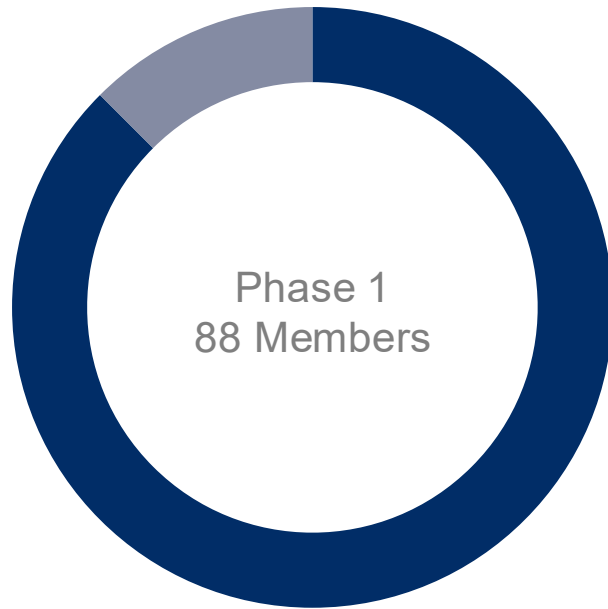
1. Contribute individually, in sub-groups or collectively to the ISSB's technical agenda.
2. Bring diverse stakeholder perspectives through ad-hoc consultation on the ISSB's technical work
3. Facilitate effective technical discussions on sustainability standard-setting issues, including:
 - specific discussion topics, industry considerations, geographic/jurisdictional considerations,
 - feasibility of providing high-quality, transparent, comparable and decision-useful information to primary users of general purpose financial reports, and
 - the relevance of information for decisions about providing resources to a company

Membership

1. Members enable representation across jurisdictions, preparers, users, and industries.
2. Members are expected to have professional competence and practical preparer or user or related experience of sustainability disclosures and/or general purpose financial reports.
3. Membership is granted to the individual rather than the individual's affiliated organisation.
4. Members are expected to serve for a two-year term to facilitate continuity.
5. Members are expected to actively contribute to the objectives of the SRG.

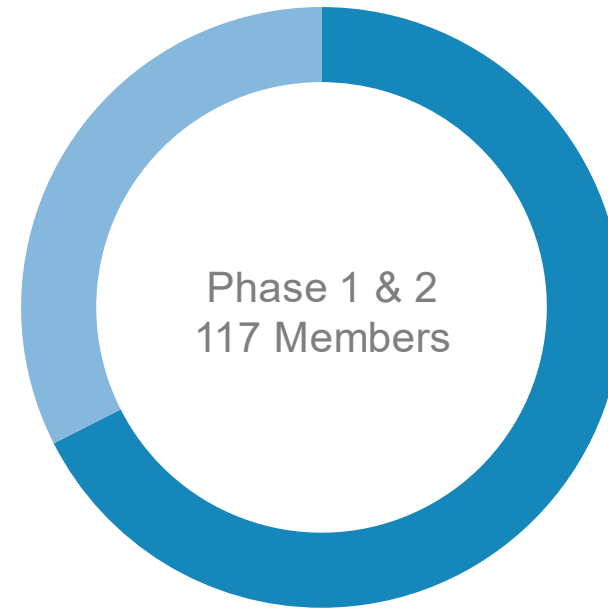
SRG members quarterly meeting attendance

Q4 2024 - November



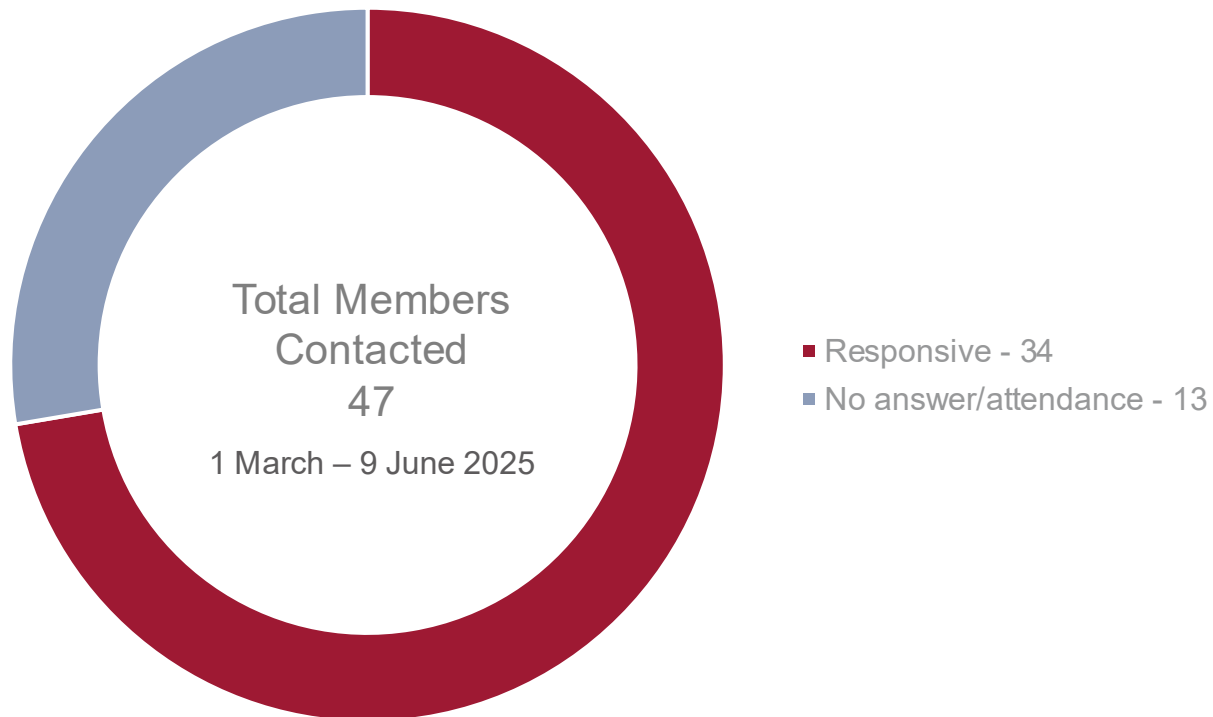
■ Yes - 77 (88%) ■ No - 11 (13%)

Q1 2025 - March



■ Yes - 79 (67.5%) ■ No - 38 (32.5%)

SRG members contacted in Q2 2025



Topics Covered*

SASB Standards – Electric Utilities, Food & Beverages, Metals & Mining and general enhancements conversations.

IFRS S2 Amendments

Roundtables on human capital

Roundtable with IFRS Foundation supporters (Japan)

**Not an exhaustive list*

2. Amendments to IFRS S2 Exposure Draft



Why is the ISSB proposing amendments to IFRS S2?

Application challenges

Supporting IFRS S1 and IFRS S2 implementation is the ISSB's highest priority

- **The Transition Implementation Group on IFRS S1 and IFRS S2 (TIG)** was established to support implementation
- **Application challenges were identified** through the TIG and ISSB's other engagement activities

Amendment criteria for application challenges

Application challenges were referred to the ISSB

Amendments are considered if:

- there is **demonstrated need** for amendment
- they would not result in significant **loss of useful information**
- they would not **unduly disrupt** implementation and adoption of the Standards

Proposed amendments to IFRS S2

The ISSB agreed:

- the proposed amendments **met the criteria**
- to act on a **timely basis** to propose the amendments

The proposed amendments:

- are **targeted**
- respond to **market needs** identified during implementation
- are not focused on reducing what is required to be disclosed

What is the ISSB proposing?

The proposed amendments are targeted toward aspects of **GHG emissions disclosures** and **provide reliefs** to existing requirements in IFRS S2

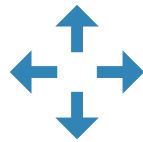
The ISSB considered the **perspectives of multiple stakeholder** groups in developing the amendments



Providing application support to companies

Make it easier and reduce related costs to apply IFRS S2

Optional reliefs that entities can choose to apply



Minimising disruption to jurisdictions

Optional reliefs that jurisdictions can choose to make available — without affecting their degree of alignment with ISSB Standards



Keeping investors' needs in focus

Ensure the usefulness of sustainability-related financial information provided by companies

No fundamental change in disclosures

What disclosure requirements do the proposed amendments relate to?

1

Measurement and disclosure of Scope 3 Category 15 GHG emissions

2

Use of Global Industry Classification Standard (GICS) for specific financed emissions disclosures

3

Jurisdictional relief from using the GHG Protocol Corporate Standard*

4

Applicability of the jurisdictional relief for global warming potential (GWP) values

* The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) is referred to as the 'GHG Protocol Corporate Standard' for brevity

Watch this [webcast](#) for further details on the proposed amendments.



Next steps

Comment period opens

Release of **Exposure Draft**
Amendments to Greenhouse Gas
Emissions Disclosures including
the **Basis for Conclusions**

28 April 2025

Comment period ends

Last day to submit
comments via survey
response or comment
letter

27 June 2025

Final amendments

*Aiming to complete the
project in 2025*

Q4 2025



Find the Exposure Draft and submit comments on the *Amendments to Greenhouse Gas Emissions Disclosures (Amendments to IFRS S2)* [project page](#) of the IFRS Foundation website.

3. SASB Standards Update and Upcoming Exposure Drafts



Enhancing the SASB Standards: next steps

Exposure drafts of proposed amendments are now under development, targeting:

- **Q2 2025** for the Extractives sector (8 industries) and Processed Foods industry
- **Q4 2025** for Agricultural Products; Meat, Poultry & Dairy; and Electric Utilities industries



120-day comment period
(usual comment period for IFRS Foundation consultation documents)



Relevance for stakeholders interested in specific **industries**, sectors, and **topics** including nature, human capital and climate



Marked up changes to SASB Standards and Basis for Conclusions
(usual format for IFRS Foundation due process documents)



May be accompanied by **educational material** to support understanding of how the SASB Standards are intended to be used by entities applying ISSB Standards

4. Update on research projects



Research projects

The ISSB is researching disclosure about risks and opportunities associated with:



Biodiversity, ecosystems and ecosystem services

Might include matters related to water management, land-use management, pollution (for example, emissions into air, water and soil), resource depletion, and biodiversity risk management (for example, rehabilitation/restoration)



Human capital

Relates to workers in an entity's direct operations or those in its value chain, including workforce-related human rights. Might include matters such as workforce composition, pay and benefits, engagement, turnover, wellbeing and working conditions in the value chain

Next phase of research

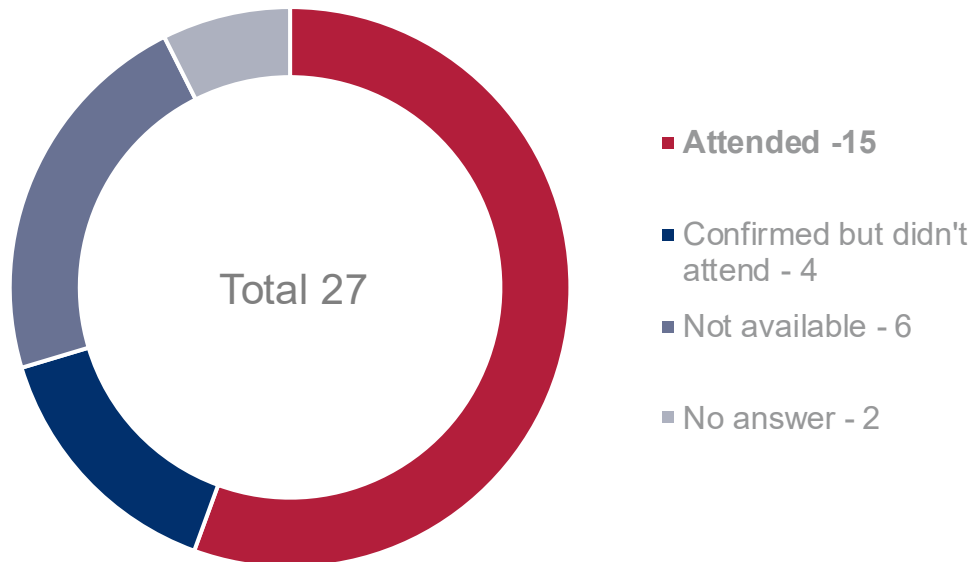
- Research projects help the ISSB determine whether the expected **benefits** of potential improvements to sustainability-related financial disclosure are likely to outweigh the **costs**.
- The first phase of research helped build a foundation of **knowledge** and **understanding**.
- The next phase is designed to synthesise findings and analyse implications for the **necessity** and **feasibility** of potential standard-setting.
- In the coming months, the staff expects to begin presenting aspects of its analysis in **public sessions** with the ISSB.
- The staff's analysis will include **input from members of the SRG**.
- The ISSB has a **range of options** for concluding the research phase of its work in the future (see sidebar).

Possible paths forward

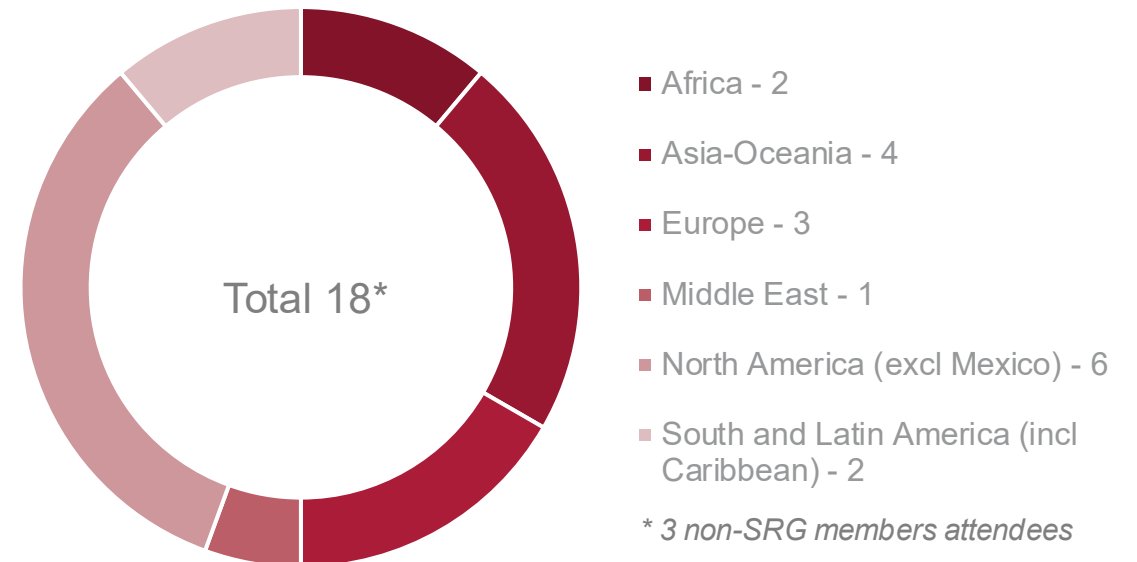
- **Educational materials** explaining existing requirements in IFRS S1, IFRS S2 and SASB Standards that are relevant to BEES- or human capital-related disclosures
- New **application guidance** with specific context on BEES- and human capital-related disclosures
- Targeted **amendments** to existing ISSB Standards.
- **Thematic standard setting** addressing one or more of governance, strategy, risk management, metrics and targets
- **Industry-based standard setting**, including enhancements to SASB Standards
- **Combination** of the above

Roundtables on human capital (9 June 2025)

SRG Members invited to join



Roundtable attendees by region

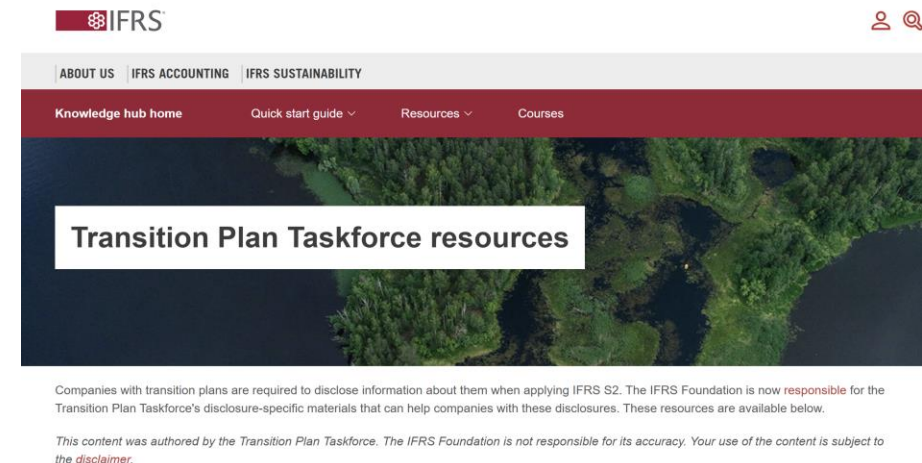


5. Update on disclosures about transition plans



Addressing fragmentation of disclosures about transition plans

- Responding to calls for more guidance and harmonisation of disclosures about transition plans, in June 2024 the [IFRS Foundation announced](#) it would assume responsibility for the disclosure-specific materials developed by the TPT
- A [dedicated area](#) of the IFRS Sustainability [Knowledge Hub](#) houses the materials (13 documents)
- As a next step, the IFRS Foundation has committed to using these materials to develop educational materials
- Objectives are to **reduce fragmentation in disclosures** and to **support the quality and comparability of information** provided using IFRS S2

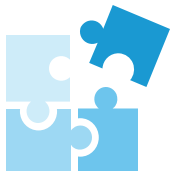


Key takeaways from stakeholder events

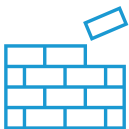
To obtain information from stakeholders to inform the work to tailor the TPT materials, the IFRS Foundation has held three roundtables with stakeholders in February and March 2025



- The IFRS educational material can **provide further examples to improve disclosures**, without changing the requirements in IFRS S2, building on the Transition Plan Taskforce (TPT) disclosure-specific material that corporate preparers find most helpful



- **Some aspects of the TPT material related to normative, policy-oriented or jurisdiction-specific statements can be omitted**, to keep focus on disclosure about transition plans, consistent with the requirements in IFRS S2 and the policy-neutral position of the ISSB



- Benefits of using the IFRS guidance document as a **baseline for jurisdictions**
- Jurisdictional authorities and supervisors might **add jurisdiction-specific building blocks** from the TPT material to the IFRS guidance document to reflect jurisdictional circumstances or to respond to specific stakeholder needs

Transition plan-related disclosures: what does IFRS S2 require?

Disclosure about the effects on the entity's **strategy and decision-making** for climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects, including:

- how the entity has responded to, and plans to respond to, **climate-related risks and opportunities**;
- how its **business model** is changing, or is expected to change;
- what direct or indirect **adaptation or mitigation efforts** it is undertaking or planning to undertake;
- any **plan** the entity has **to transition towards a lower-carbon economy**, including the key assumptions and dependencies on which the plan relies;
- how the entity plans to achieve its **climate-related targets**, including any GHG targets;
- how the entity is **resourcing**, or plans to resource, its response to climate-related risks and opportunities; and
- any **progress** against its previously reported plans.

See paragraph 14 of IFRS S2

6. Q&A



Next SRG quarterly meeting Q3 2025

- **Option 1**

- 16 September at 5 PM PT / 8 PM ET
- 17 September at 8 AM CST / 9 AM JST
/ 10 AM AET

- **Option 2**

- 17 September at 9 AM ET / 10 AM BRT
/ 3 PM CEST / 3 PM SAST

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- [Access](#) the Standards and supporting materials
- [Sign up](#) for news alerts and listen to our [podcast](#)
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