

Sustainability Reporting Board

MEETING PACK

for

SRB Meeting - 15 Oct 2025 (PUBLIC PAPAERS)

Wednesday, 15 October 2025

9:30 am (NZDT)

Held at:

XRB Boardroom

Level 6, 154 Featherston Street, Wellington

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Agenda

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AGENDA

SRB MEETING - 15 OCT 2025 (PUBLIC PAPAERS)

Name:	Sustainability Reporting Board
Date:	Wednesday, 15 October 2025
Time:	9:30 am to 3:10 pm (NZDT)
Location:	XRB Boardroom, Level 6, 154 Featherston Street, Wellington
Committee Members:	Becky Lloyd (Committee Chair), Alec Tang, Alison Howard, Carolyn Mortland, Jackie Cheyne, Joe Hanita, Mathew Nelson
Attendees:	Dr Amelia Sharman, Wendy Venter, Geoff Connor, Judy Ryan, Lisa Kelsey, Rikki Owen, Nicola van Rooijen

1. Welcome and Karakia (non-public)

1.1 Welcome & karakia 9:30 am (6 min)

Becky Lloyd

1.2 Apologies 9:36 am (2 min)

Becky Lloyd

1.3 Private Agenda Item 9:38 am (2 min)

1.4 Private Agenda Item 9:40 am (3 min)

1.5 Approval of minutes 9:43 am (2 min)

Becky Lloyd

For Decision

Supporting Documents:

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2. Private Section

2.1 Private Agenda Item 9:45 am (60 min)

2.2 Private Agenda Item 10:45 am (30 min)

2.3 MORNING TEA BREAK 11:15 am (15 min)

3. Private Section

3.1 Private Agenda Item 11:30 am (15 min)

4. Updates (public)

4.1 Chair update

11:45 am (20 min)

Becky Lloyd

For Noting

4.2 Documents open for comment

12:05 pm (20 min)

Judy Ryan

For Decision

SASB

Supporting Documents:

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4.3 International monitoring

12:25 pm (15 min)

Lisa Kelsey

For Noting

Supporting Documents:

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5. Private Section

5.1 Private Agenda Item

12:40 pm (5 min)

5.2 Private Agenda Item

12:45 pm (1 min)

5.3 Private Agenda Item

12:46 pm (1 min)

5.4 Private Agenda Item

12:47 pm (1 min)

5.5 Lunch

12:48 pm (45 min)

6. Private Section

6.1 Private Agenda Item

1:33 pm (15 min)

6.2 Private Agenda Item

1:48 pm (20 min)

6.3 Private Agenda Item

2:08 pm (15 min)

7. Private Section

7.1 Private Agenda Item

2:23 pm (15 min)

8. Private Section

8.1 Private Agenda Item

2:38 pm (27 min)

9. Close and Karakia

9.1 Close & karakia

3:05 pm (5 min)

9.2 Next meeting

Next meeting: SRB Meeting - 10 Dec 2025 - 10 Dec 2025, 9:00 am

XRB Board Room, Level 6, 154 Featherston Street, Wellington. Finishing at 5:00 pm.

MINUTES (in Review)

SRB MEETING 008 (PUBLIC PAPERS)

Name:	Sustainability Reporting Board
Date:	Tuesday, 26 August 2025
Time:	9:00 am to 5:00 pm (NZST)
Location:	Virtual, Virtual
Committee Members:	Becky Lloyd (Committee Chair), Alec Tang, Alison Howard, Carolyn Mortland, Jackie Cheyne, Joe Hanita, Mathew Nelson
Attendees:	Dr Amelia Sharman, Geoff Connor, Jack Bisset, Jeremie Madamour, Judy Ryan, Lisa Kelsey, Rikki Owen, Wendy Venter

1. Welcome and Karakia

1.1 Private Agenda Item

2. Private Section

2.1 Private Agenda Item

3. Private Section

3.1 Apologies

Apologies were received from Amelia Sharman who was absent between 9:30am and 10:00am; Joe Hanita who joined after the lunch break, and Carolyn Mortland who was absent from lunchtime until 1:45pm, as well as from 4:00pm onwards.

3.2 Private Agenda Item

3.3 Private Agenda Item

3.4 Private Agenda Item

3.5 Approval of minutes

SRB Meeting 007 (PUBLIC PAPERS) 2 Jul 2025, the minutes were confirmed as presented.

4. Private Section

4.1 Private Agenda Item

4.2 Private Agenda Item

4.3 Private Agenda Item

4.4 Private Agenda Item

4.5 Private Agenda Item

5. Updates (public)

5.1 Chair update

The Board NOTED an update from Becky Lloyd, Chair. Becky discussed the following topics:

- Visit from Sue Lloyd (ISSB) and Andrew Mills (FRC) and related meetings.

5.2 Documents open for comment

The Board AGREED with the staff recommendation not to provide a formal submission on the exposure drafts of the simplified European Sustainability Reporting Standards (ESRS).

The Board also AGREED with the staff recommendation not to provide a formal submission on the GRI Textiles and Apparel Sector Standard exposure draft and the exposure drafts for 'Non-discrimination and Equal Opportunity' and 'Diversity and Inclusion' of the GRI Topic Standard Project.

The Board NOTED the forthcoming exposure drafts from the ISSB — exposure drafts of SASB Standards for Agricultural Products, Meat & Dairy, and Electric Utilities & Power Generators.

THE Board NOTED the forthcoming exposure draft on Scope 2 Guidance from the GHG Protocol.

The Board NOTED that the staff will bring a recommendation to the Board's October meeting on responding to the ISSB's exposure draft: Proposed Amendments to the SASB Standards.

5.3 International monitoring

The Board NOTED the update on international and jurisdictional monitoring.

Board member Mathew Neslon provided an update on the practical challenges of implementing climate reporting in Australia, including scenario analysis, assurance scope, director liability, legal involvement, and the interplay between audit and legal review.

6. Specific Updates (public)

6.1 Work of the International Valuations Standards Council (IVSC)

The Board NOTED the paper on the IVSC.

6.2 Guidance update

The Board NOTED the update on guidance.

The Board discussed the new guidance on anticipated financial impacts, the collaboration with the New Zealand Society of Actuaries to develop practical tools, and the importance of ensuring guidance is accessible to non-actuarial professionals.

6.3 MORNING TEA BREAK

7. Private Section

7.1 Private Agenda Item

8. Private Section

8.1 Private Agenda Item

8.2 Lunch break

9. Private Section

9.1 Private Agenda Item

10. Private Section

10.1 Private Agenda Item

10.2 Private Agenda Item

10.3 AFTERNOON TEA BREAK

10.4 Private Agenda Item

11. Private Section

11.1 Private Agenda Item

12. Close and Karakia

12.1 Close & karakia

12.2 Next meeting

Next meeting: SRB Meeting - 15 Oct 2025 - 15 Oct 2025, 9:30 am

XRB Board Room, Level 6, 154 Featherston Street, Wellington. Finishing at 5:00 pm.

Signature:_____

Date:_____

Memorandum

To: SRB Members

Meeting date: 15 October 2025

Subject: **Documents open for comment**

Date: 2 October 2025

Prepared by: Judy Ryan

☒ **Action Required**

☐ **For Information Purposes Only**

Purpose¹

1. The purpose of this paper is to:
 - (a) INFORM the Board about documents currently open (or forthcoming) for comment; and
 - (b) CONFIRM which documents the Board will comment on and, where relevant, provides feedback on our proposed approach for developing submissions.

Recommendations

2. That the Board:
 - (a) AGREES TO COMMENT on the ISSB exposure draft – *Proposed amendments to the SASB Standards*, to be approved by circular resolution; and
 - (b) AGREES NOT TO COMMENT on:
 - i. FMA consultation – *Proposed class exemption for entities incorporated in foreign jurisdictions from New Zealand climate reporting duties*; and
 - ii. Centre for Sustainable Finance Toitū Tahua consultation – *NZ Taxonomy second public consultation*.
 - (c) NOTES the forthcoming consultations from ISSB, GHG Protocol and GSSB (GRI) as listed in Table 2.

Domestic

3. Table 1 identifies relevant documents issued by domestic bodies that are currently open for comment.

Table 1: Domestic documents open for comment

Document	Organisation	Due date	Comments on SRB response
Proposed class exemption for entities	FMA	24 Oct 25	Staff recommend that the Board does not submit on the FMA consultation. See paragraphs 6 to 7.

¹ This memo refers to the work of the International Accounting Standards Board (IASB), International Sustainability Standards Board (ISSB), International Public Sector Accounting Standards Board (IPSASB) and uses registered trademarks, for example, IFRS® Sustainability Disclosure Standards, ISSB® papers and IPSASB SRS™.

Document	Organisation	Due date	Comments on SRB response
incorporated in foreign jurisdictions from New Zealand climate reporting duties			
NZ Taxonomy second public consultation	Centre for Sustainable Finance Toitū Tahua	17 Oct 25	Staff recommend that the Board does not submit on this consultation. See paragraph 8 to 10.

International

4. Table 2 identifies relevant documents issued by international standard-setting bodies that are currently open for comment.

Table 2: International documents open for comment

Document	Organisation	International due date	Comments on SRB response
Amended ESRS	EFRAG	29 Sep 2025	At its meeting on 26 August the Board agreed not to submit on the ESRS exposure drafts.
Exposure draft of enhancements to 9 sector standards and targeted amendments to 41 other standards	ISSB	30 Nov 2025	Staff recommend that the Board submit a response. See paragraphs 11 to 14.

5. Table 3 identifies relevant forthcoming documents that will shortly be issued by international standard-setting bodies.

Table 3: Forthcoming international documents open for comment

Document	Organisation	International due date	Comments on SRB response
<i>Exposure draft for Agricultural Products, Meat & Dairy, and Electric Utilities & Power Generators SASB Standards</i>	ISSB	Q4 2025	These exposure drafts are expected to be issued in the fourth quarter of 2025. These sectors are likely to be very relevant in the New Zealand context.
<i>Scope 2 Guidance</i>	GHG Protocol	Q4 2025	The revised guidance is expected to be published in the fall (possibly October), with comments open for 60 days.
<i>Exposure draft for Economic Performance topic standard</i>	GRI	Possibly Nov 2025	Subject to approval of GSSB at September meeting
<i>Exposure draft for Anti-corruption topic standard</i>	GRI	Possibly Nov 2025	Subject to approval of GSSB at September meeting

<i>Exposure draft for Competition topic standard</i>	GRI	Possibly Nov 2025	Subject to approval of GSSB at September meeting
<i>Exposure draft for Public Policy topic standard</i>	GRI	Possibly Nov 2025	Subject to approval of GSSB at September meeting

FMA class exemption

6. The exemption would only be available to overseas climate reporting entities (CREs) regulated by jurisdictions with mandatory climate reporting regimes that are broadly equivalent to New Zealand's standards. This approach ensures that primary users will have access to similar and equivalent information to what they would receive under New Zealand's climate reporting requirements, thereby avoiding unnecessary compliance.
7. We do not normally publicly submit on FMA consultations. We reviewed the consultation document and have no additional comments. We have indicated our support of the consultation to the FMA team.

NZ Taxonomy

8. On the 22 September, the Centre for Sustainable Finance Toitū Tahua (CSF) opened its second public consultation on Aotearoa New Zealand Sustainable Finance Taxonomy (NZ Taxonomy). Work on the NZ Taxonomy in 2025, is focused first on developing criteria for the agriculture and forestry sectors, with sector development possible in the future. The consultation will run for four weeks, closing Friday 17 October.
9. During this round, feedback will be sought on:
 - (a) New climate change adaptation and resilience (A&R) substantial contribution (SC) criteria – The criteria are made up of a process-based approach and a white list;
 - (b) Significant changes to mitigation substantial contributions criteria – in particular the design of whole-of-farm activity, including transition options;
 - (c) Changes to Do no significant harm (DNSH) criteria – new climate change mitigation DNSH, arable land DNSH, edits and additions since last consultation; and
 - (d) Phased and streamlined approach to DNSH and minimum social safeguards (MSS) criteria.
10. Staff have been involved in the technical expert group preparing this taxonomy draft, therefore there is no need to submit separately as part of the public consultation.

ISSB Exposure Draft on amendments to 9 SASB sector standards and targeted amendments to 41 other standards

11. As part of its 2024–2026 work plan, the International Sustainability Standards Board (ISSB) is enhancing the SASB Standards to provide timely support to entities in applying IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* (IFRS S1) and IFRS S2 *Climate-related Disclosures* (IFRS S2).
12. The proposed amendments in this consultation relate to:
 - (a) Enhancements to SASB standards in extractive sectors (coal operations, construction materials, iron & steel production, metals & mining, oil & gas – exploration & production,

oil & gas – midstream, oil & gas – refining & marketing, oil & gas – services) and processed foods.

- (b) Targeted amendments to 41 other standards. These include metrics on GHG emissions, energy management, water management, labour practices and workforce health and safety. The proposed targeted amendments result from the proposed amendments to the nine priority industries that affect metrics frequently occurring in other SASB Standards.
13. Staff recommend the XRB should respond to this ED. While the extractive sectors are not highly relevant in the New Zealand context, it is highly precedent setting due to the consequential amendments to the 41 other standards.
 14. Staff will liaise with AASB and any other jurisdictions that we are in contact with in relation to their intended responses and will align with its feedback to the extent relevant. As responses are due to the ISSB by 30 November, staff will bring the submission to the SRB at its next meeting.



Memorandum

To: SRB Members

Meeting date: 15 October 2025

Subject: **Update on international and jurisdictional monitoring**

Date: 2 October 2025

Prepared by: Sustainability Team

Through: Amelia Sharman

☐ **Action Required** ☒ **For Information Purposes Only**

Purpose and introduction¹

1. The purpose of this paper is to provide the Board with an update of our international and jurisdictional monitoring.
2. This paper covers the period from 13 August 2025 to 17 September 2025.

Recommendations

3. The Board is asked to NOTE this update.

Structure of this memo

4. The remaining sections in this memo are:

[AASB](#)

[ASIC](#)

[ISSB](#)

[IPSASB](#)

[ISO and GHG Protocol](#)

[PCAF](#)

[European Union](#)

[GRI's GSSB](#)

¹ This memo refers to the work of the International Sustainability Standards Board (ISSB) and uses registered trademarks of the IFRS Foundation (for example, IFRS® Sustainability Disclosure Standards, and ISSB® papers).

[CDP](#)

[Capitals Coalition](#)

[Jurisdictional updates](#)

AASB

AASB meetings

5. The AASB met on the 19 August 2025, there were no climate or sustainability topics on the agenda.

Educational material

6. The AASB has issued the following educational material:
 - (a) [Proportionality mechanisms in AASB S2](#) (this is a rebranding of the [Factsheet Series—Proportionality Digest](#) issued by the ISSB in January 2025—no substantive amendments have been made to the ISSB material); and
 - (b) [Greenhouse Gas Emissions Disclosure requirements applying AASB S2 Climate-related Disclosures](#) (this is a rebranding of the [Greenhouse Gas Emissions Disclosure requirements applying IFRS S2 Climate-related Disclosures](#) issued by the ISSB in May 2025—no substantive amendments have been made to the ISSB material).

AASB S2 Implementation Advisory Panel

7. The AASB Implementation Advisory Panel (IAP) held its second meeting on the 11 September 2025. A summary of the meeting is not yet available, however, from the [agenda](#) it does not appear that the IAP discussed any specific implementation questions received from Australian CREs. The discussion appeared more general in nature and focused on approaches to supporting implementation.

AASB S2 training

8. On the 12 – 13 August, the AASB, in partnership with the IFRS Foundation, ran a two-day technical training program focused on the practical application of AASB S2 *Climate-related Disclosures*. Sue Lloyd (Vice Chair, ISSB) facilitated the sessions alongside technical staff from the AASB. Planning is currently underway for additional sessions in collaboration with the Australian Securities and Investments Commission (ASIC) and other subject matter experts, to be delivered through a series of workshops and roadshows throughout 2026.

ASIC

9. On the 16 September, ASIC published [FAQs: Review or audit of sustainability reports](#). The frequently asked questions contain guidance about the review and auditing requirements relating to sustainability reports under the *Corporations Act 2001*.
10. We note that a registrable superannuation entity may only have one auditor, i.e. the auditor must be the auditor of both the sustainability report and the annual financial report. A company, registered scheme or retail CCIV may have more than one auditor i.e. the auditor of the sustainability report is not required under the Corporations Act to be the same as the auditor of the annual financial report.

ISSB

ISSB Meetings

11. The ISSB is meeting on 24 – 26 September. There are three agenda items for the meeting, we summarise these in this section.

Amendments to Greenhouse Gas Emissions Disclosures

12. In April 2025, the ISSB published [Exposure Draft – Amendments to Greenhouse Gas Emissions Disclosures](#) (the ED). The ED proposed targeted amendments to IFRS S2 *Climate-related Disclosures* in response to application challenges related to greenhouse gas (GHG) emissions requirements. The Board submitted to the ISSB on the ED.
13. During this meeting, the ISSB will receive a summary of feedback on exposure draft, along with the ISSB staff's analysis of that feedback. The ISSB staff will also request that ISSB members vote on the ISSB staff recommendations related to proposed amendments to IFRS S2.
14. [Appendix C](#) of this memo includes a table summarising the agenda papers for this agenda item. We have also included comments on whether the ISSB staff recommendations are in line with the Board's submission on the proposals.
15. In [paper 9F](#) the ISSB staff recommends that the ISSB finalise the amendments to IFRS S2 without re-exposing them for further public comment, as all required due process steps have been completed and no fundamental changes have been made since the Exposure Draft.

Biodiversity, Ecosystems and Ecosystem Services

16. The ISSB is going to discuss findings of its research on [Biodiversity, Ecosystems and Ecosystem Services](#). Of note are the following take aways from the ISSB staff paper:
 - (a) The option of standard setting on the topic is kept open ("In considering whether educational materials are sufficient or whether and what further steps such as standard-setting may be needed to address common investor information needs" - paragraph 9), stopping short of advising for a specific standard on Nature. Noting this paper is not asking for a decision from the ISSB.
 - (b) Mention of limitations of IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* ("IFRS S1 does not contain explicit requirements for the following common investor needs for nature-related information: information on nature-related transition plans; location-specific information on nature-related risks and opportunities; and climate-nature nexus information") and current material, signaling a need for at least more guidance (paragraph 7).
 - (c) The ISSB staff do not consider that "information on whether and how an entity considers the implications for its prospects of nature-related systemic risks in its risk management process and when identifying and assessing their own nature-related risks and opportunities." is relevant, despite investors asking for it. Same for "metrics for overall ecosystem integrity and health". (paragraph 6).

Enhancing the SASB Standards

17. Agenda [paper 6](#) provides an update on the project to enhance SASB Standards. ISSB staff outline their ongoing approach: they are continuing research and stakeholder engagement, especially with organisations in emerging markets and developing economies, to inform

proposed amendments to the SASB Standards for Electric Utilities & Power Generators, Agricultural Products, and Meat, Poultry & Dairy. ISSB staff is considering whether to revise industry descriptions, add or expand disclosure topics and metrics (such as those related to vertical integration, animal welfare, food loss, supply chain management, and community relations), and ensure international applicability and proportionality. The next step is to develop an exposure draft for these industries, targeting publication by late 2025 or early 2026, subject to further feedback and ISSB ratification.

Other ISSB activities

18. On the 18 August 2025, the ISSB issued new material about anticipated financial effects applying ISSB Standards. This included an [online article](#) by ISSB member Jenny Bofinger-Schuster and new educational material [*Disclosing information about anticipated financial effects applying ISSB Standards*](#).
19. In her online article Jenny discusses the proposed changes to ESRS under the Omnibus Programme and highlights two options of proposed changes to ESRS:
 - (a) Option 1—A company applying proposed revised ESRS would be required to provide quantitative information about anticipated financial effects subject to similar proportionality mechanisms to those available to companies applying ISSB Standards allowing a company to instead provide qualitative information on a permanent basis. However, the relief related to the skills, capabilities and resources available to the company included in IFRS S2 is still not proposed to be included.
 - (b) Option 2—A company applying proposed revised ESRS *would not be required* to provide quantitative information about anticipated financial effects
20. Jenny goes on to note that option 2 would be detrimental to interoperability between ESRS and ISSB Standards and make information important for investors non-mandatory. She comments that this option also presents a risk that companies would need to perform additional work to comply with both ISSB Standards and ESRS because quantitative information about anticipated financial effects would not be required by ESRS resulting in omission of information included in the global baseline.

Sustainability Standards Advisory Forum meeting

21. The Sustainability Standards Advisory Forum (SSAF) is meeting on the 22–23 September. This meeting is the final meeting of the inaugural membership of the SSAF. The IFRS Foundation Trustees will be engaged in October 2025 on the process to initiate a call for nominations regarding the composition of the SSAF from 2026 until 2029.
22. Agenda [paper 4](#) is a presentation from ISSB staff on working with the GHG Protocol. The paper provides SSAF with an overview of:
 - (a) GHG Protocol's standard development and revision procedures for the GHG Protocol Corporate Suite of Standards and Guidance ('GHG Protocol Revisions');
 - (b) ISSB's objective for GHG Protocol Revisions and engagement with the GHG Protocol; and
 - (c) The GHG Protocol's upcoming public consultation.
23. Agenda [paper 2](#) seeks feedback from SSAF members on Exposure Draft *Proposed Amendments to the SASB Standards*.

IPSASB

24. The IPSASB hosted the Public Sector Standard Setters Forum on 7-9 September and held an IPSASB meeting on 9-12 September in Lisbon. Although NZ IPSASB member Angela Ryan could not attend, Michelle Lombaard (Director Accounting Standards) and Wendy Venter were able to attend the Forum and observe the IPSASB meeting.
25. Michelle's presentation at the Forum emphasised the importance of understanding the architecture of IPSASB's literature within the wider reporting landscape, as signaled in the IPSASB Work Program Consultation ([page 8](#)). This influenced the IPSASB to instruct IPSASB staff to explore the potential for research project in this area. Among other areas, the project could look at how entities are using existing IPSASB guidance, how they might use a potential S1 and the impact of making Recommended Practice Guidance (RPG) mandatory.
26. IPSASB generally agreed with IPSASB staff updates to the *Climate-related Disclosures* standard. The most notable decision was to prioritise the development of educational material on materiality for the public sector. IPSASB members were referred to educational [material](#) issued by the ISSB and an out of session meeting for interested IPSASB members has been scheduled for 19 November.
27. IPSASB members will have another opportunity to provide feedback on the *Climate-related Disclosures* standard at the October check-in meeting before a planned final review at the December meeting where IPSASB staff will also seek approval of the standard.

ISO and GHG Protocol

28. On 9 September 2025, ISO and the GHG Protocol [announced a strategic partnership to deliver unified global standards for GHG emissions accounting](#).
29. Under the agreement, ISO and GHG Protocol will combine their leading GHG standards into harmonised co-branded international standards. This includes standards from the ISO 1406X family of standards, alongside the GHG Protocol Corporate Accounting and Reporting, Scope 2 and Scope 3 Standards.
30. In addition, as a coherent approach across the full spectrum of carbon accounting activities is essential, the organisations will work on a joint product carbon footprint standard – reflecting the increase in companies seeking to access more granular data from across their value chain to guide decarbonisation decisions.

PCAF

31. Nothing from PCAF in this period.

European Union

CSRD and ESRS

32. On 26 February 2025, the European Commission (EC) published a [proposal for a Directive](#) amending the Corporate Sustainability Reporting Directive (CSRD) and two other Directives as part of the [Omnibus I simplification package](#). On 23 June, the Council of the European Union agreed a [Mandate for negotiations with the European Parliament](#), which differs from the EC's proposals in some respects. The European Parliament has not yet published a negotiating position.

33. The EC asked EFRAG to provide technical advice on how to revise and simplify the 12 European Sustainability Reporting Standards (ESRS). On 31 July, EFRAG issued [exposure drafts](#) based on the EC proposal. Submissions closed on 29 September.
34. EFRAG is due to deliver finalised versions to the EC by 30 November. If there are no significant delays, the revised ESRS are likely to come into force in late 2026 and start applying from 2027 financial years. Until then, in-scope companies are required to continue to report against the existing ESRS.

VSME

35. On 30 July 2025, the EC adopted [the VSME standard](#), which is a voluntary sustainability reporting standard for non-listed small and medium enterprises that was finalised by EFRAG in late 2024. The EC has stated that a future voluntary reporting standard might differ from the current VSME recommendation, depending on the outcome of negotiations between the European Council and European Parliament on the Omnibus I simplification package.

GRI's GSSB

36. At its meeting on the 18 September, the GSSB will be asked to approve the following exposure drafts. Each update is expected to strengthen alignment with global standards and aims to improve transparency, comparability and relevance for stakeholders. Comment periods are expected to be for one month after GSSB approval and release.
 - (a) The Exposure Draft for Topic standard – Economic Performance. The proposed update to GRI 201 (2016) refocuses economic performance reporting from financial value creation to broader economic impacts. Key changes include clearer terminology (“monetary flows”), new disclosures on how organisations generate and distribute these flows, and expanded reporting on workforce and community-related financial indicators. Climate-related content has been moved to GRI 102.
 - (b) The Exposure Draft for Topic Standard – Anti-corruption. The proposed update to GRI 205 (2016) significantly expands the scope and depth of reporting. It broadens the definition of corruption to include emerging risks such as abuse of digital data and intermediary misconduct, aligning with global instruments like UNCAC and OECD Guidelines. New disclosures require organisations to report on corruption risk assessments across business functions and partners (COR-2), incidents and legal outcomes (COR-3), and anti-corruption training and communication (COR-4). A new management disclosure (COR-1) mandates transparency on governance, conflict of interest, and due diligence practices.
 - (c) The Exposure Draft for Topic Standard – Competition. The proposed update to GRI 206 (2016) expands the scope of the standard to better reflect the economic impacts of anti-competitive practices. It introduces a new management disclosure (COMP-1) requiring organisations to describe how they manage risks related to competition law and fair market practices. The revised disclosures (COMP-2 and COMP-3) strengthen reporting on legal actions and confirmed incidents, and now include impacts on stakeholders and society.
 - (d) The Exposure Draft for Topic Standard – Public Policy. The proposed update to GRI 415 (2016) strengthens transparency around political engagement and lobbying. Key changes include a new management disclosure (POL-1) requiring organisations to explain how they manage public policy engagement, including governance oversight

and due diligence. The revised disclosures (POL-2 and POL-3) expand reporting on political contributions and lobbying activities, including indirect lobbying via third parties.

CDP

37. Plenty of interesting insights from CDP here: [The 2025 Disclosure Dividend - CDP](#). What is interesting is that it's based on disclosures about the past, not potential future actions.
38. Selection of insights of relevance:
 - (a) "Nearly half of large organizations with transition plans consider other environmental issues beyond climate change in their plans – with water (66%), biodiversity (45%) and plastics (38%) being the top issues considered."
 - (b) Every US\$1 spent on responding to climate risk offers a return of up to US\$21. The same trend can be seen among small and medium enterprises (SMEs).
 - (c) When asked which finances were at risk, 39% of companies reported revenue exposure.
 - (d) Opportunities materializing in the last reporting year - US\$4.4 trillion - are worth more than the annual GDP of Japan.

Capitals Coalition

39. No updates in this period.

Jurisdictional updates

40. [Appendix A](#) includes a brief update on the jurisdictions we have prioritised as "Priority 3: Awareness". This update focuses on how these jurisdictions are adopting, applying or otherwise been informed by the ISSB Standards. The ISSB also provides a list of ongoing and completed jurisdictional consultations at national and supra-national level on sustainability-related disclosures.²

² See [Jurisdictional sustainability consultations](#)

Appendix A: Jurisdictional updates

Jurisdiction	Update
United Kingdom	<p>The UK government has been consulting on how to implement their manifesto commitment to mandate UK-regulated financial institutions and large companies to develop and implement credible transition plans that align with the 1.5C goal of the Paris Agreement. The UK government's vision is for Britain to be the place where the energy transition is financed.</p> <p>The consultation just closed on 17 September.</p> <p>Another related publication of note: Sector Transition Plans</p> <p>The focus is very much on helping the finance sector to identify capital allocations opportunities.</p> <p>In parallel, the UK chancellor Rachel Reeves told private equity leadership she planned to shut down more regulators across the UK to grow the economy (Guardian).</p>
United States	No updates
Canada	No updates

Appendix B: Glossary

AASB	Australian Accounting Standards Board
AOSSG	Asian-Oceanian standard-setters group
ASIC	Australian Securities & Investments Commission
EC	European Commission
EFRAG	European Financial Reporting Advisory Group
EFRAG SRB	European Financial Reporting Advisory Group Sustainability Reporting Board
GHG ISB	GHG Protocol Independent Standards Board
GSSB	Global Sustainability Standards Board GRI Standards
IASB	International Accounting Standards Board
IPSASB	International Public Sector Accounting Standards Board
ISO	International Organization for Standardization
ISSB	International Sustainability Standards Board
ISSB TIG	International Sustainability Standards Board Transition Implementation Group on IFRS S1 and IFRS S2
ITPN	The International Transition Plan Network
OECD	Organisation for Economic Co-operation and Development
PCAF	Partnership for Carbon Accounting Financials

Appendix C: Amendments to Greenhouse Gas Emissions Disclosures (Amendments to IFRS S2)

Agenda paper and topic	Feedback received	Summary of ISSB staff recommendation	Is the ISSB staff recommendation in line with SRB feedback to ISSB ³
<p>Paper 9A</p> <p>Relief from measurement and disclosure of Scope 3 Category 15 greenhouse gas emissions beyond financed emissions</p>	<p>Overall response</p> <p>Broad support for the proposed amendment, especially from investors and preparers, who welcomed the clarity and practical relief.</p> <p>The main reasons given by respondents for broadly agreeing with the proposed relief for measurement and disclosure of Scope 3 Category 15 GHG emissions beyond financed emissions were:</p> <p>Clarification of Requirements and Consistency</p> <p>Resolution of conflict: Respondents appreciated that the amendment would clarify a potential conflict between the requirements in IFRS S2 and its Basis for Conclusions, which could otherwise lead to inconsistent application.</p> <p>Clearer scope: The relief would make it clear what is required to be included in Category 15 GHG emissions, supporting consistent implementation.</p> <p>Practicality and Feasibility</p> <p>Support for implementation: Many agreed that the relief would help entities, especially those with less mature GHG measurement capabilities, to comply with the requirements. This was particularly noted for entities in emerging markets and developing economies.</p> <p>Focus on what is currently measurable: Respondents noted that measurement</p>	<p>The ISSB staff recommend that the ISSB proceed with the proposed relief allowing entities to limit the measurement and disclosure of Scope 3 Category 15 GHG emissions to financed emissions (as defined in IFRS S2), explicitly permitting the exclusion of emissions associated with derivatives, and without setting an end date for the relief. They also recommend clarifying the intent of the relief in the amended Basis for Conclusions to explain that it addresses a technical inconsistency rather than making a judgement on the relevance of excluded emissions, and suggest that the ISSB continue to monitor developments in measurement methodologies for Category 15 GHG emissions, with the possibility of reassessing the relief in the future as methodologies evolve.</p>	<p>No</p> <p>Question 1(a)</p> <p>The SRB broadly disagreed with the ISSB proposals in the ED.</p> <p>“We recommend transitional relief rather than permanent exclusions for derivatives, facilitated emissions, and insurance-associated emissions. These categories are highly material for many entities and should be included over time as methodologies mature”</p>

³ See [SRB submission to the ISSB on its Exposure Draft Amendments to Greenhouse Gas Emissions Disclosures](#)

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	<p>methodologies for certain types of Category 15 emissions (especially derivatives, facilitated, and insurance-associated emissions) are not yet well established, so limiting disclosure to financed emissions is practical.</p> <p>Alignment with Existing Standards</p> <p>Alignment with GHG Protocol: Some respondents observed that the amendment would bring IFRS S2 requirements more closely in line with the GHG Protocol Corporate Value Chain (Scope 3) Standard, which only mandates reporting of certain financial activities.</p> <p>Flexibility</p> <p>Optional nature of relief: Supporters liked that the relief is optional, allowing entities that are able and willing to disclose more to continue doing so, while providing relief for those not yet ready.</p> <p>Key stakeholder concerns regarding proposed relief for Scope 3 Category 15 GHG emissions</p> <p>Usefulness of disclosures</p> <p>Concern that excluding emissions beyond financed emissions (e.g. facilitated, insurance-associated, derivatives) may reduce the relevance and completeness of climate-related information, particularly for assessing transition risk and net-zero commitments.</p> <p>Lack of timebound relief</p> <p>Many stakeholders recommended that the relief be temporary or subject to future review, to encourage continued development of measurement methodologies and maintain momentum in disclosure practices.</p>		

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	<p>Terminology clarity Requests for clearer definitions of key terms such as “facilitated emissions” and “insurance-associated emissions” to support consistent interpretation and application.</p> <p>Undefined ‘derivatives’ Concern that not defining “derivatives” could lead to inconsistent treatment across entities, reduced comparability, and potential misuse of the relief.</p> <p>Optionality and comparability Worries that the optional nature of the relief could result in inconsistent disclosures between entities and over time, undermining comparability and transparency.</p> <p>Interoperability with other standards Concern that the relief may reduce alignment with other frameworks such as the European Sustainability Reporting Standards (ESRS) and Global Reporting Initiative (GRI), potentially complicating multi-framework reporting.</p> <p>Impact on methodology development Fear that permanent relief could stall progress in developing and adopting robust measurement methodologies for Category 15 GHG emissions.</p> <p>Misinterpretation of ISSB’s intent Concern that the relief may be perceived as a signal that certain emissions are not relevant to transition risk, despite the broader requirements in IFRS S2 to disclose material climate-related risks.</p>		

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<p><u>Paper 9B</u></p> <p>Disclosure requirements for use of the relief related to Scope 3 Category 15 greenhouse gas emissions</p>	<p>The feedback on the proposed disclosure requirements for entities using the relief to limit Scope 3 Category 15 GHG emissions to financed emissions was broadly supportive, particularly among investors and preparers, who valued increased transparency about what is excluded from reported emissions. Supporters highlighted the importance of disclosures that help users understand the completeness of Category 15 GHG emissions data and facilitate comparability between entities and over time. However, concerns were raised about the usefulness and comparability of quantitative disclosures, especially given the lack of standardised definitions for key terms such as “amounts”, “derivatives”, and “financial activities”. Some respondents questioned whether quantitative disclosures would provide meaningful information about transition risk, and noted the potential for confusion or misinterpretation. Many respondents also raised concerns about the cost and effort required to provide quantitative disclosures, particularly where relevant information is not currently tracked or reported, and where new processes would be needed. Suggestions for improvement included shifting from quantitative to qualitative disclosures, clarifying the objective of the requirements, and ensuring that disclosures are connected to other information in general purpose financial reports. Some respondents also recommended requiring disclosure of the total Category 15 GHG emissions and a subtotal for financed emissions, as well as explanations where the treatment of derivatives differs from financial statements. Overall, the feedback reflected a desire for</p>	<p>The ISSB staff recommend that the ISSB require entities using the relief to provide qualitative descriptions of the financial activities excluded from their Scope 3 Category 15 GHG emissions disclosures, including those associated with derivatives, rather than quantitative amounts. Entities should also explain what they treat as derivatives for the purposes of the relief, and, if this differs from their financial statements, clarify the difference. Additionally, the ISSB staff propose requiring disclosure of the total Category 15 GHG emissions and a subtotal for financed emissions if emissions beyond financed emissions are reported. These recommendations are intended to enhance transparency and comparability, while addressing concerns about cost, complexity, and the usefulness of quantitative disclosures, and ensuring that the information provided is meaningful and relevant for users' decision-making.</p>	<p>Yes, partially</p> <p>Question 1(b)</p> <p>SRB broadly agreed with the ISSB proposals in the ED.</p> <p>“Disclosure of excluded GHG emissions: We support enhanced transparency but recommend defining key terms and providing guidance on how to quantify and present excluded activities meaningfully”</p>

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	transparency and comparability, balanced with the need to avoid undue complexity and cost.		
<p>Paper 9C</p> <p>Use of Global Industry Classification Standard (GICS) in applying specific requirements related to financed emissions</p>	<p>Stakeholder feedback on the proposed amendment to the requirement for entities to use the Global Industry Classification Standard (GICS) when disaggregating financed emissions was broadly supportive of introducing relief and flexibility. Most respondents, including investors and preparers, agreed with removing the mandatory use of GICS, citing concerns about legal and cost implications, duplicative reporting, and the practicality of applying GICS across diverse activities and jurisdictions. Many welcomed the option to use alternative industry classification systems, particularly those already used for regulatory or risk management purposes, as this would reduce reporting burdens and better align with existing practices. However, some respondents emphasised the importance of maintaining comparability and decision-usefulness, suggesting that commonly used or internationally recognised systems should be prioritised and that additional guidance or 'guardrails' may be needed to ensure disclosures remain robust and relevant.</p> <p>Concerns were also raised about the level of granularity required, the coverage of unlisted entities, and the risk of commercial confidentiality in smaller markets. While most stakeholders supported the proposed requirement to disclose the chosen classification system and the rationale for its selection, a few suggested requiring reconciliation with GICS or more explicit explanations of how the chosen system</p>	<p>The ISSB staff recommend replacing the prescriptive hierarchy requiring use of the Global Industry Classification Standard (GICS) for disaggregating financed emissions with a more principles-based approach. Entities participating in commercial banking or insurance activities should select an industry classification system that enables them to classify counterparties by industry in a way that provides useful information about their exposure to climate-related transition risks, prioritising commonly used systems to support comparability. Entities should use a single classification system for each activity (banking or insurance), but are not required to use the same system across both. Additionally, entities must disclose the classification system used and explain the rationale for their choice, ensuring transparency and supporting users' understanding of the information provided</p>	<p>Yes, partially</p> <p>Question 2(a)</p> <p>SRB broadly disagreed with the ISSB proposals to introduce a prescriptive hierarchy requiring the use of GICS.</p> <p>"We propose simplifying the requirements by allowing entities to use the classification system already adopted for jurisdictional or prudential reporting. The current decision tree is overly complex and may lead to unnecessary compliance costs"</p> <p>Yes</p> <p>Question 2(b)</p> <p>SRB broadly agreed with the ISSB proposal to include an explanation of basis of classification.</p> <p>"We agree with the proposal in question 2(b). The approach provides appropriate flexibility while ensuring transparency by requiring entities to clearly disclose which classification system has been used, supporting comparability and informed interpretation by users."</p>

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	supports useful disclosures. Overall, the feedback reflected a desire to balance flexibility and cost-effectiveness with the need for transparency, comparability, and usefulness of financed emissions disclosures, and encouraged a principles-based approach that allows entities to exercise judgement while supporting investor needs.		
<p>Paper 9D</p> <p>Jurisdictional relief from using the GHG Protocol Corporate Standard and its applicability for GWP values</p>	<p>Most respondents broadly supported the proposed amendments to clarify and extend jurisdictional relief from using the GHG Protocol Corporate Standard and to permit the use of alternative global warming potential (GWP) values where required by a jurisdictional authority or exchange. Supporters, including accounting bodies and investors, highlighted that the amendments would reduce duplicative reporting, lower compliance costs, and provide practical flexibility for entities operating in multiple jurisdictions with differing requirements. They also emphasised the importance of transparency, recommending clear disclosure of alternative measurement methods and GWP values used, and suggested that disaggregation of emissions data could enhance comparability. However, some respondents raised concerns about the potential impact on comparability and consistency of disclosures, particularly when different methods or GWP values are used within a group. These concerns were partly mitigated by existing IFRS requirements for disclosure and disaggregation when material. A minority of respondents disagreed with the amendments, arguing that permitting inconsistent measurement approaches and</p>	<p>The ISSB staff recommends that the ISSB finalise the proposed amendments to IFRS S2, clarifying that jurisdictional relief from using the GHG Protocol Corporate Standard and from using the latest IPCC global warming potential (GWP) values is available when an entity, in whole or in part, is required by a jurisdictional authority or exchange to use alternative methods or values. The ISSB staff advises that entities should be permitted to apply these alternatives only to the relevant part of the entity and for as long as the jurisdictional or exchange requirement applies, and recommends relying on existing disclosure and disaggregation requirements rather than introducing new ones, to ensure transparency and comparability when material.</p>	<p>Yes, partially</p> <p>Question 3</p> <p>The SRB broadly agreed with the ISSB proposals in relation to jurisdictional relief from using the GHG Protocol.</p> <p>“We support jurisdictional relief but emphasise the need for transparency. Entities should clearly disclose the methodology used and explain its implications for comparability”</p> <p>Yes partially</p> <p>Question 4</p> <p>The SRB broadly agreed with the ISSB proposals in relation to jurisdictional relief for GWP values.</p> <p>“We agree with allowing jurisdictional flexibility but stress that emission factors should best represent the entity’s activities. Requiring recalculation when both tCO₂e and constituent gases are available is unnecessarily burdensome.”</p>

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	<p>GWP values within a reporting entity could undermine the usefulness and comparability of reported greenhouse gas emissions. Some suggested that relief should be time-bound or more narrowly scoped, and called for ongoing monitoring and review of the impact on market practice and comparability. There were also calls for the ISSB to ensure alignment with global scientific consensus and to consider the implications of evolving GWP benchmarks. Overall, while most feedback recognised the practical benefits of the amendments, there was a clear emphasis on the need for robust disclosure and ongoing assessment to balance flexibility with the integrity and comparability of sustainability-related financial disclosures.</p>		
<p>Paper 9E Effective date and transition</p>	<p>Most respondents strongly supported the proposal to set an early effective date for the amendments to IFRS S2 and to permit early application, emphasising that this would help entities address implementation challenges and reduce duplicative reporting efforts. Stakeholders, particularly those already in the process of adopting or aligning with IFRS S2, welcomed the amendments' narrow and targeted nature, noting that timely application would ease compliance burdens and support consistency. However, a few respondents, including some national standard-setters, raised concerns about the potential additional burden for entities and jurisdictions, especially where changes to reporting practices or regulatory frameworks would be required. There were also requests for clarity on whether revised comparative information would be required and suggestions for</p>	<p>The ISSB staff recommends that the ISSB set an effective date of 1 January 2027 for the amendments to IFRS S2, with early application permitted to support timely adoption and implementation. They also advise that entities applying the amendments in their first annual reporting period should adjust comparative information, unless impracticable, so that disclosures reflect the new requirements for Scope 3 Category 15 GHG emissions, industry classification for financed emissions, and the use of jurisdictional relief for GHG measurement methods and GWP values, thereby supporting users' understanding of trends and ensuring consistency in reporting</p>	<p>Yes, partially. Question 5 The SRB broadly agreed with the ISSB proposal to set the effective date so that the amendments would be effective as early as possible and to permit early application. The SRB did not provide any further comments on this question.</p>

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	<p>transition relief to exempt entities from restating comparatives.</p> <p>Feedback also highlighted the importance of considering the time needed for jurisdictions to incorporate the amendments into their regulatory frameworks, and some respondents asked for specific transition provisions regarding comparative information. While most agreed that the amendments would make it easier for entities to apply IFRS S2, a minority cautioned that sufficient time should be allowed for implementation and regulatory alignment. Overall, the feedback indicated broad support for the proposed approach, with a clear preference for flexibility, transparency, and practical reliefs to facilitate the transition and effective adoption of the amendments.</p>		