

Sustainability Reporting Board

MEETING PACK

for

SRB Meeting - 10 Jun 2026 (Public papers)

Wednesday, 10 June 2026

9:25 am (NZST)

Held at:

Virtual

Virtual

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Agenda

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AGENDA

SRB MEETING - 10 JUN 2026 (PUBLIC PAPERS)

Name:	Sustainability Reporting Board
Date:	Wednesday, 10 June 2026
Time:	9:25 am to 10:40 am (NZST)
Location:	Virtual, Virtual https://teams.microsoft.com/l/meetup-join/19%3ameeting_NGNjYTJiZGMtODFIOS00MmJmLWE5NGMtNzNIN2UxNWEwYWVVi%40thread.v2/0?context=%7b%22Tid%22%3a%2253996152-4561-4986-a4e9-e98f4cb07127%22%2c%22Oid%22%3a%220e56d83f-7bf0-4dfe-b7fa-bc5b95e334ff%22%7d Remote Meeting only - Please join this meeting via the link above.
Committee Members:	Becky Lloyd (Committee Chair), Alec Tang, Alison Howard, Carolyn Mortland, Jackie Cheyne, Joe Hanita, Mathew Nelson
Attendees:	Dr Amelia Sharman, Geoff Connor, Judy Ryan, Lisa Kelsey, Michael van Zijl, Rikki Owen, Wendy Venter
Apologies:	Nicola van Rooijen

1. Opening meeting (non-public)

2. Private agenda item

3. Private agenda item

4. Standing items (non-public)

4.1 Approval of minutes

9:25 am (2 min)

Becky Lloyd

For Decision

Supporting Documents:

4.1.a Minutes : SRB Meeting - 14 Apr 2026 (Public papers) - 14 Apr 2026

5

4.2 Private item

9:27 am (3 min)

5. Updates (public)

5.1 Chair update

9:30 am (15 min)

Becky Lloyd

For Noting

5.2 Board members' environmental update, including Australia update 9:45 am (45 min)

Becky Lloyd

For Discussion

Board environmental scan highlighting key matters, current issues and emerging trends relevant for SRB.

5.3 International monitoring 10:30 am (15 min)

Lisa Kelsey

For Noting

Including the GHG Protocol and ISSB Nature-related Disclosures.

Supporting Documents:

5.3.a	International monitoring.docx	9
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5.4 Documents open for comment 10:45 am (15 min)

Judy Ryan

For Decision

Supporting Documents:

5.4.a	Documents open for comment.docx	21
5.4.b	Draft submission letter SASB ED 2026.docx	25

6. Private agenda item

7. Private agenda item

8. Private agenda item

9. Close & karakia

9.1 Next meeting

Next meeting: SRB Meeting - 3 Aug 2026 - 3 Aug 2026, 9:00 am

MINUTES (in Review)

SRB MEETING - 14 APR 2026 (PUBLIC PAPERS)

Name:	Sustainability Reporting Board
Date:	Tuesday, 14 April 2026
Time:	9:22 am to 4:53 pm (NZST)
Location:	Precinct Flex, Level 10, 11 Britomart Place, Auckland
Committee Members:	Carolyn Mortland, Becky Lloyd (Committee Chair), Alec Tang, Alison Howard, Jackie Cheyne, Joe Hanita, Mathew Nelson
Attendees:	Dr Amelia Sharman, Geoff Connor, Judy Ryan, Lisa Kelsey, Michael van Zijl, Rikki Owen, Wendy Venter

1. Opening meeting (non-public)
2. Private agenda item
3. Private agenda item
4. Private agenda item

4.1 Approval of minutes

SRB Meeting - 25 Feb 2026 (Public papers) 25 Feb 2026, the minutes were confirmed as presented.

4.2 Private item

5. Updates (public)

5.1 Chair update

The Board NOTED an update from Becky Lloyd, Chair. She highlighted the following key themes that emerged from the XRAP meeting last month:

- Trust in institutions and information is eroding amid geopolitics, misinformation and rapid change. Increasing expectations that assurance, reporting and regulation will rebuild confidence by providing clear, relevant transparency that helps users interpret complexity and understand where value is created.
- AI adoption is accelerating but uneven and often ROI-uncertain. Organisations need clear governance (guardrails, defined use cases and “human-in-the-loop” oversight) to capture near-term automation benefits while managing over-reliance and ethical risk.
- The economic, regulatory and sustainability landscape is shifting towards lower growth, higher uncertainty and geopolitical risk. This reinforces the strategic importance of climate and sustainability while driving greater emphasis on regulatory alignment, proportionality, efficiency, energy security and resilient transition pathways.

5.2 Board members' environmental update, including Australia update

The Board DISCUSSED key matters, current issues & emerging trends.

Key matters raised:

- Risk lens and scenario analysis: Some board members observed a focus on moving beyond short term, “knee jerk” responses towards understanding longer term systemic risks. Scenario analysis is increasingly seen as a practical tool for testing assumptions, dependencies and business model resilience.
- Energy dependence and resilience: Repeated emphasis on reliance on fossil fuels (especially diesel) as a material strategic vulnerability. The question has shifted from cost to availability, highlighting energy security as a core business risk.
- Integration with financial decision making: Growing attention on how scenario analysis and resilience considerations flow through to financial statements, economic models and identification of the most material risks.

Current issues:

- Practical pressure versus long-term thinking: In many organisations, immediate cost pressures and stress (e.g. fuel crises, rate rises) are crowding out some forward-looking activities.
- Supply chain stress: Fuel, fertiliser and plastics shortages and price increases are creating acute supply chain risks, reinforcing the interconnectedness of climate, sustainability and operational resilience.
- Economic models under strain: Boards are questioning whether existing economic models adequately support long-term resilience while still enabling good stewardship of natural and financial resources.
- Variable readiness across sectors: While some organisations are well prepared and able to respond quickly using prior analysis, others struggle to engage when scenarios challenge entrenched assumptions or near-term priorities.

Emerging trends:

- Integration of climate and nature: Increasing recognition that climate and nature risks are intertwined. Early work is underway on scenarios that address both together, with anticipation of forthcoming ISSB nature standards.
- Rising ambition beyond mandatory reporting: Continued momentum in net zero commitments and GHG reporting, including from non-mandatory reporters. Strong growth in Asia (notably China), alongside regulatory-driven shifts in Australia and Europe.
- From compliance to strategy: Leading organisations (e.g. banks, energy companies, exporters) are using scenario analysis to drive more integrated strategies linking climate, nature and core business decisions.
- Cultural and community resilience: Greater alignment between economic resilience, cultural strength and intergenerational outcomes, particularly evident in Māori leadership and grassroots engagement following local climate impacts.
- Materiality focus sharpens action: Quantification of risks and dependencies is helping organisations prioritise what is truly material and prompting more concrete, decision-useful discussions at board level.

Mathew Nelson provided an update from Australia:

- Agenda focus: Australia is heavily focused on climate. Broader sustainability is largely paused, with nature only emerging where it intersects with climate. Issues like packaging and deforestation are lower priority.

- Macro drivers: Energy security has strengthened the transition narrative. Electrification is coming back into focus.
- Investor engagement: Limited investor scrutiny of climate reports. AGMs show little focus on CRDs, with investors distracted by producing their own disclosures.
- Early reporting insights: Reports vary widely (7–70 pages). All identify risks, but time horizons and financial impacts differ significantly. Around half quantify financial effects. Scenarios are consistent due to Australian requirements.
- Audit and technical issues: Audit firms are under pressure, with inconsistent interpretations. Ongoing uncertainty around financial effects and GHG Protocol issues. Scope 3 largely not reported due to relief.
- Risk framing: Risks are increasingly aggregated (e.g. operational disruption rather than individual hazards), reflecting more mature risk thinking.
- Strategic impact: No clear strategy changes yet. A key shift is boards asking which climate scenarios are being used for business planning and capital allocation.

5.3 International monitoring

The Board NOTED the update on international and jurisdictional monitoring.

5.4 Documents open for comment

The Board NOTED the update on the IPSASB Work Program consultation.

The Board AGREED not to respond to the GHG Protocol RFI on Actions and Market Instruments.

The Board AGREED not to comment on the EFRAG discussion paper: Connectivity of financial and sustainability reporting, NOTING that feedback has been passed to the Chair of the NZASB, Carolyn Cordery as a forum member of ASAF and that this will also likely be a topic of discussion at the IFASS meeting in May 2026.

The Board AGREED to comment on the ISSB's Exposure Draft Proposed Amendments to the SASB Standards* and the IFRS S2 Industry-based Guidance, NOTING that the:

- Response to be informed by targeted consultation.
- Final comment letter to be approved by circular resolution.

*Agricultural Products SASB Standard; Meat, Poultry & Dairy SASB Standard; and Electric Utilities & Power Generators SASB Standard.

5.5 MORNING TEA BREAK

6. Private agenda item

6.1 Private item

7. Private agenda item

7.1 Private item

8. Private agenda item

8.1 Private item

9. Standard setting (public)

9.1 Scope 3 alignment of NZ CS

The Board APPROVED for issue:

- Exposure Draft — Amendments to NZ CS 1 Climate-related Disclosures 2026; and
- the accompanying consultation document (subject to the incorporation of changes discussed and agreed at this meeting).

The Board AGREED to delegate authority to the Chair to finalise these documents with Staff.

10. Close and Karakia

10.1 Close & karakia

10.2 Next meeting

Next meeting: SRB Meeting - 10 Jun 2026 - 10 Jun 2026, 9:00 am

Signature: _____

Date: _____



Memorandum

To: SRB Members

Meeting date: 10 June 2026

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

Date: 29 May 2026

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 2 April to 26 May 2026.

Recommendations

3. The Board is asked to NOTE this update.

Structure of this memo

4. The remaining sections in this memo are:

[Australia](#)

[ISSB](#)

[IPSASB](#)

[ISO and GHG Protocol](#)

[PCAF](#)

[European Commission](#)

[EFRAG SRB](#)

[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](#)

[ITPN](#)

[TISFD](#)

[Jurisdictional updates](#)

Australia

The Australian Budget

5. The [Regulatory Reform Agenda](#) for the Australian Budget for 2026-27 states that the Government:
 - (a) Is progressing legislative reforms that will reduce the number of large proprietary companies that are required to lodge an audited financial report, directors' report and sustainability report by raising the monetary thresholds from \$50 million to \$100 million of consolidated revenue and \$25 million to \$50 million of consolidated gross assets
 - (b) will consult on changes aimed at reducing the climate-related disclosure burden by:
 - (i) improving consistency in the application of reporting requirements by clarifying how key concepts, including 'undue cost and effort' apply in practice
 - (ii) adjusting assurance settings to ensure they are proportionate and practical
 - (iii) setting clearer boundaries on supplier information requests, particularly for small businesses.

6. We note, in relation to 'key concepts', that the ISSB's [Inaugural Jurisdictional Guide for the adoption or other use of ISSB standards](#) (the Jurisdictional Guide) states that a jurisdiction may provide:
 - (a) further guidance and context for the application of undue cost or effort considerations (see paragraph 148 of the Jurisdictional Guide)
 - (b) additional guidance for the application of the requirement which states that an entity must provide quantitative information unless it is unable to do so for skill, capability and resource-related reasons, including establishing thresholds (see paragraph 150 of the Jurisdictional Guide).

Treasury Laws Amendment (Financial Reporting System Reform) Bill 2026

7. This Bill provides for merging the FRC, AASB AUASB into a new body named External Reporting Australia. The House of Representatives agreed to the third reading on 5 March. The Bill is currently before the Senate. The Senate Economics Legislation Committee recommended that the Bill be passed without making any changes on 24 April. The Liberal-National Coalition senators dissented, stating that the Bill should not be passed in its current form. The Green senators made additional comments expressing concerns about conflicts of interest, ethics, independence and related matters.²

² See [Treasury Laws Amendment \(Financial Reporting System Reform\) Bill 2026](#)

AASB

8. The AASB continues to focus its sustainability-related efforts on [implementation support and awareness raising activities](#) related to AASB S2 including their latest educational material: *Climate resilience and climate-related scenario analysis requirements in AASB S2*.³

ASIC

9. On 18 May, [ASIC outlined](#) its financial reporting, audit and sustainability focus areas for the 2026-27 financial year. ASIC's emphasis will continue to be on supporting entities' compliance with the sustainability reporting framework, including guidance, relief and educational materials.
10. ASIC also published its [preliminary observations](#) on lodged sustainability reports on 18 May. It states that ASIC:
- (a) has generally seen an increase in the quantity and quality of climate-related financial information compared to previous voluntary disclosures
 - (b) has identified six opportunities to strengthen the quality of reporting
 - (c) will publish final observations from its current reviews in the second half of 2026.

ISSB

Nature-related Disclosures

11. Nature-related disclosures have been discussed at two recent ISSB meetings: 22 April and 13 May.

ISSB meeting 22 April 2026 (Listen to the ISSB April Podcast [here](#))

12. At this meeting the ISSB tentatively decided:
- (a) to propose requirements and guidance for nature-related disclosures in the form of an [IFRS Practice Statement](#); and
 - (b) to invite stakeholders to comment on the proposed form of an IFRS Practice Statement—with reference to alternative forms of standard-setting—by including a specific question in the exposure draft.
13. Regarding location-specific information about nature-related risks and opportunities, the ISSB tentatively decided:
- (a) to provide incremental guidance to explain how the location of an entity's assets and business activities can be relevant to identifying nature-related risks and opportunities
 - (b) to provide incremental guidance on disclosing location-specific information about nature-related risks and opportunities across core content areas
 - (c) to require an entity to disclose the amount and percentage of assets or business activities:
 - vulnerable to the nature-related risks it has identified; and
 - aligned with the nature-related opportunities it has identified

³ https://aasb.gov.au/media/pmanqfzy/scenarioanalysiseducationalmaterial_04-26.pdf

- (d) to introduce a proportionality mechanism for the disclosure specified in (c) requiring an entity to use all reasonable and supportable information that is available to the entity at the reporting date without undue cost or effort.

14. Regarding information about engagement with Indigenous Peoples, Local Communities and affected stakeholders, the ISSB tentatively decided:

- (a) to provide guidance explaining how to apply the requirements in IFRS S1 and the metrics in the SASB Standards to provide material information to primary users of general purpose financial reports. The guidance would focus on information about how an entity's interactions, including engagement, with Indigenous Peoples, Local Communities and affected stakeholders can give rise to nature-related risks and opportunities that could reasonably be expected to affect its prospects.

ISSB meeting 13 May 2026 (Listen to the ISSB May Podcast [here](#))

15. The ISSB met on 13 May to discuss:

- (a) information about the use of nature-related scenario analysis; and
- (b) identification of nature-related risks and opportunities.

16. Regarding the use of nature-related scenario analysis, the ISSB tentatively decided:

- (a) not to provide incremental requirements or guidance on disclosing information about the use of scenario analysis to inform an entity's identification of nature-related risks
- (b) to provide an incremental requirement for an entity to disclose information about whether and how the entity uses scenario analysis to inform its identification of nature-related opportunities
- (c) to provide an incremental requirement for an entity to disclose information about whether and how the entity uses scenario analysis to inform its assessment of the nature, likelihood and magnitude of the effects of nature-related risks, including information about:
 - the inputs the entity used;
 - the key assumptions the entity made in the analysis; and
 - the part of the entity to which the scenario analysis applies (for example, whether the analysis applies to the entity in its entirety or only a part of the entity, such as a specific business unit or specific region).
- (d) to require an entity to use nature-related scenario analysis to provide information about the entity's resilience to nature-related risks proposing requirements consistent with those in IFRS S2 *Climate-related Disclosures* on resilience assessment using climate-related scenario analysis, including the proportionality mechanisms set out in IFRS S2; and
- (e) to emphasise that the assessment in the context of nature-related changes, developments and uncertainties would be more location- and asset-specific than the assessment described in IFRS S2 due to the characteristics of nature-related risks and opportunities.

17. Regarding the identification of nature-related risks and opportunities, the ISSB tentatively decided to note in the proposed IFRS Practice Statement that the TNFD *Guidance on identification and assessment of nature-related issues: The LEAP approach* might be relevant in providing nature-related disclosures in accordance with the objective of IFRS S1. The Practice Statement would note that:

- (a) when an entity identifies nature-related risks and opportunities in accordance with the objective of IFRS S1, the LEAP approach might be relevant to support the entity in:
 - locating where, within the entity’s business model and throughout its value chain, interfaces with nature occur, and understanding the characteristics of nature in those locations;
 - evaluating the related dependencies and impacts; and
 - assessing the associated nature-related risks and opportunities; and
 - (b) if an entity chooses to use the LEAP approach to identify nature-related risks and opportunities, it would do so to assist in meeting the objective of IFRS S1.
18. The ISSB stated that the Practice Statement would specify the applicable version of the TNFD LEAP approach, and that noting the relevance of the LEAP approach:
- (a) is intended to highlight a process that could support application of the Practice Statement; and
 - (b) is not intended to require a particular process or approach, nor to require the application of the LEAP approach to assert compliance with the Practice Statement or IFRS Sustainability Disclosure Standards.
19. The next milestone for this project is the issue of an exposure draft, expected in Q4 2026.

Enhancing the SASB Standards – feedback summaries on the first nine SASB standards

20. Agenda item 6 of the May ISSB meeting had three main papers in relation to the consultation which closed in November for Extractives & Minerals Processing sector (8 standards) and the Processed Foods Standard. The papers were:
- (a) [AP6A: Feedback summary – Industry descriptions and disclosure topics in the SASB Standards in the Extractives & Minerals Processing sector](#)
 - (b) [AP6B: Feedback summary – Metrics in the SASB Standards in the Extractives & Minerals Processing sector](#)
 - (c) [AP6C: Feedback summary – Proposed amendments to the Processed Foods SASB Standard.](#)
21. The ISSB was not asked to make any decisions during these sessions.
22. Paper AP6A summarises stakeholder feedback on proposed amendments to industry descriptions, classifications and disclosure topics for SASB Standards in the Extractives & Minerals Processing sector. Overall, there was strong support for the proposed amendments and agreement that the industry descriptions and classifications generally work well. There were some suggestions that specific business activities could be added or refined, particularly to address integrated, diversified or hybrid business models. This raises the tension between specificity which might improve clarity and unintentionally narrowing the scope or excluding edge cases.
23. Most stakeholders agreed that proposed topics were relevant. There was some feedback to add topics for specific industries.
- (a) Coal operations – add air quality disclosures
 - (b) Construction materials – add community relations, rights of indigenous peoples, business ethics

- (c) Metals & mining – add mine closure and rehabilitation, broaden GHG disclosures beyond direct emissions
 - (d) Oil & gas exploration and production – add emergency management
 - (e) Oil & gas midstream – add climate resilience.
24. Paper AP6B summarises stakeholder feedback on proposed amendments to metrics and technical protocols in the SASB Standards for the Extractives & Minerals Processing sector. There was broad support for the proposed metrics, but there was a strong call (particularly from investors) for additional disclosures on climate transition risks and opportunities, including more detailed emissions-related information and better coverage of transition planning and impacts. This feedback raises a broader question for the ISSB about how far the amendments should go in specifying industry-based climate-related disclosures that complement the requirements in IFRS S2, particularly in relation to greenhouse gas emissions and an entity's response to climate-related transition risks.
 25. General feedback was that metrics should be clearer and more precisely defined and easier to apply consistently in practice. Concerns were raised in relation to data availability and measurement challenges, as well as the cost of complexity of collecting certain metrics.
 26. Paper AP6C summarises stakeholder feedback on proposed amendments to the Processed Foods SASB Standard. There was broad support for the proposed amendments and strong support for the revised industry description. Most respondents agreed with the disclosure topics with the revised approach to supply chain management disclosure topics being well received. Most respondents agreed with the proposed metrics and most provided suggestions for how metrics could better accommodate jurisdictional contexts.
 27. IFRS staff recommended that the ISSB should redeliberate feedback and finalise amendments to this standard when it redeliberates and finalises amendments to the Meat, Poultry & Dairy Standard (consultation closes 24 July 2026).

Transition Implementation Group on IFRS S1 and IFRS S2 (TIG)

28. On the 29 April the IFRS Foundation launched a [new webpage](#) and resource which hosts [implementation questions submitted to the \(TIG\)](#) that can be answered by applying the words in IFRS S1 and IFRS S2, together with the accompanying resources. This centralised resource enables stakeholders to access and apply the guidance more easily.

IPSASB

IPSASB progressing work on phase 2 of climate-related disclosures project

29. The IPSASB are meeting on 9 June. This will be another important meeting for phase 2 of the climate project (public policy outcomes) and consideration of future projects for the IPSASB work programme 2026-2028.
30. Regarding the climate-related disclosures project on public policy, the IPSASB are being asked to decide on matters including who reports (who is responsible for climate outcomes of public policy), what they report, and proportionality and attribution.
31. The next IPSASB meeting is in September. At that meeting, the IPSASB is expected to continue to discuss issues and turn their attention to approval of a final standard. The expected approval date of a new public-policy related standard is in December.

32. Unfortunately, the new IPSASB Board Chair was unable to travel to New Zealand in April. However, we have connected IPSASB staff with two CREs who will be joining the IPSASB's Sustainability Implementation Forum (SIF). The objectives of the SIF are to gather practitioner feedback, test IPSASB proposals and inform the development of IPSASB sustainability standards, guidance and examples.

ISO and GHG Protocol

ISO representatives join GHG Protocol Corporate Standard TWGs

33. ISO representatives have been appointed to join the GHG Protocol Corporate Standard technical working groups. [Dr Anne Smith](#) (NZ) has joined working group 2 which is the same working group as Judy Ryan. ISO appointees to working groups 1 and 3 are from Canada and Germany.

ISO and GHG Protocol Finalise Joint Working Group to Develop Product-Level Accounting Standard

34. The [GHG Protocol members](#) of the Joint Working Group have been selected, the joint standard will promote credible decarbonisation strategies, enhance market transparency, and enable implementation of mechanisms such as Carbon Border Adjustment Mechanisms (CBAMs), which rely on robust, product-level emissions accounting.

ISO released an updated Environmental management systems standard

35. [ISO 14001:2026 Environmental management systems – requirements with guidance for use](#) was released in mid-April. This is the flagship environmental management system standard, used by approximately 670,000 organisations globally. Climate change considerations are now embedded in the core requirements, Biodiversity and resource availability are now mandatory considerations. There is greater emphasis on upstream and downstream impacts across the value chain/ There is also an increased focus on measurable environmental outcomes rather than procedural compliance.

PCAF released its first impact report

36. PCAF released its first [Impact Report](#). In 2025, the community grew to 719 financial institutions, representing nearly \$100 trillion in assets across over 85 countries.

European Commission

37. On 6 May 2026, the European Commission launched a four-week consultation on [draft final versions of the ESRS](#) and a [voluntary reporting standard for smaller companies](#). They build on the Omnibus I simplification passage, which streamlines sustainability reporting and reduces the number of companies in scope of the CSRD.
38. The Commission states that the draft ESRS largely follow the technical advice provided by EFRAG but propose targeted amendments to further ease the reporting burden.
39. The draft voluntary standard is designed to support sustainability reporting by companies not subject to mandatory CSRD requirements. It is based on EFRAG's 2024 voluntary SME standard (VSME). Like the VSME, the draft voluntary standard comprises two modules: a basic model for 'micro-undertakings' and a comprehensive model for other SMEs. The main difference compared with the VSME is to propose a 'value chain cap'. It will prohibit CSRD in-scope companies from requiring companies in their value chain with 1,000 employees or fewer to provide more sustainability information than is set out in the voluntary standard.

40. Submissions closed on 3 June. The Commission plans to adopt the two delegated acts as soon as possible after that date. They will subsequently be transmitted to the European Parliament and the European Council for scrutiny under the no-objection procedure (two months, extendable by a further two months at the request of either institution) before entering into force.

EFRAG

Krestin Lopatta appointed as new EFRAG Sustainability Reporting Board Chair

41. EFRAG announced the appointment of [Kerstin Lopatta](#) as its new EFRAG Sustainability Reporting Board Chair (EFRAG SRB), effective from 1 May 2026 for a term of three years. Kerstin brings extensive experience in corporate reporting across multiple roles, including auditor, consultant and academic. Through her involvement in boards, audit committees and similar functions, she has developed strong insight into business practices and related challenges. Over the past four years, she has served as Vice Chair of the EFRAG SRB.

EFRAG sustainability reporting work programme 2026 submitted to European Commission

42. EFRAG submitted its [Sustainability Reporting Work Programme 2026](#) to the European Commission, setting out its strategic priorities and planned activities. The programme reflects EFRAG's continued mandate to deliver high-quality technical advice while supporting the effective and proportionate implementation of European Sustainability Reporting Standards (ESRS).
43. It identifies its key priorities:
- (a) Development of N-ESRS for non-EU groups, with technical advice expected by early 2027, after the publication of an Exposure Draft for public consultation planned from July 2026 for 100 days
 - (b) Continuation of the SME ecosystem, including support for voluntary reporting and capacity building
 - (c) Implementation support, driven by stakeholder needs and an upcoming agenda consultation
 - (d) Advancing interoperability with international standards (ISSB, GRI, GHG Protocol) to reduce fragmentation
 - (e) Accelerating digitalisation, notably through XBRL taxonomy updates and the ESRS Knowledge Hub.
44. Building on initial ESRS implementation experience and regulatory developments, EFRAG places strong emphasis on usability, simplification, and burden reduction, while safeguarding the robustness and comparability of sustainability disclosures.

EFRAG publishes sustainability report using VSME Digital Template

45. EFRAG published its first [Sustainability Report](#), covering 2025 and prepared under the Voluntary Standard for SMEs (VSME) on 27 April 2026. This report presents EFRAG's environmental, social, and governance (ESG) performance, and highlights how sustainability considerations are embedded across EFRAG's core activities, as well as within its internal environment, including staff and organisational practices.
46. The report has been prepared using the VSME Digital Template and Converter developed by the EFRAG Secretariat in 2025. The document is available as a human-readable Inline XBRL file with an

embedded viewer, with disclosures automatically tagged according to the VSME XBRL taxonomy. Additional formatting has been applied to enhance clarity and readability for external stakeholders.

47. In preparing the report, the EFRAG Secretariat identified several challenges commonly encountered by SMEs preparers. These insights will inform EFRAG's future implementation support and serve as a reference for other European AISBLs approaching their first-year reporting.

GRI's GSSB

48. The 23 April GSSB meeting received feedback from the public consultation on the *Topic Standard Project for Labor*. Four topic standards (significant changes for workers, working parents and caregivers, employment, remuneration and working time) are expected to be approved in June/July 2026. A further two (non-discrimination and equal opportunity, diversity and inclusion) are expected to be approved in Q4 2026. With the remaining approvals expected in 2027.
49. The meeting held on 21 May was a private meeting. The next public meeting is 1 and 2 June.

CDP released a report with insights from CDP's IFRS S2-aligned disclosures

50. In 2024 CDP aligned its corporate questionnaire with IFRS S2. [This report](#) provides insights into the extent of disclosure against IFRS S2-aligned data points in CDP's question bank, indicating where companies are advancing and where disclosure gaps remain. Climate-related metrics is the component with the lowest levels of complete responses with 31% of companies disclosing against all aligned questions.

DJBIC announced Best-In-Class Indices 2026 review results

51. As a result of [this year's review](#), the following top three largest companies based on free-float market capitalisation have been added to and deleted from DJ BIC World. All changes are effective on Friday, May 1, 2026.
- (a) Additions: Enbridge Inc, Tokio Marine Holdings Inc, London Stock Exchange Plc
 - (b) Deletions: Microsoft Corp, Siemens AG, Union Pacific Corp (note these companies are still members of other DJSI indices)
52. There are four New Zealand companies on the [DJBIC Asia Pacific Index](#): Xero Limited, Auckland International Airport, Contact Energy Limited, Meridian Energy Limited. Meridian Energy is the only New Zealand company on the [World Index](#).

Capitals Coalition

53. No updates this period.

TISFD

The TISFD has released the first draft version of its framework

54. The TISFD framework aims to make inequality and wider people-related issues more visible to support better business decision-making, stronger investor insight and clearer accountability to stakeholders.

55. [Beta version 0.1](#) covers *conceptual foundations* presenting key concepts and definitions and *disclosure recommendations* leveraging the four pillars across governance, strategy and impact and risk management, with metrics and targets to be informed by future work. See page 11 of the beta version 0.1 for the core disclosure pillars.
56. The TISFD is inviting stakeholder feedback through to 31 July with the aim of releasing Beta version 0.2 in late 2026.

ITPN

The ITPN has published a report on how transition plans are informing investor decisions

57. An ITPN meeting was held on 12 May that focused on creating an ‘enabling environment’ for transition planning to ensure they are used as forward-looking strategic tools rather than a compliance exercise.
58. The [ITPN has released](#) *Enhancing long-term value and resilience: A study of how global investors are using transition plans*. The research found that investors were most interested in disclosures on governance, implementation strategy, key assumptions and dependencies, financial metrics, GHG targets and metrics, and engagement with government, public sector and civil society.
59. The report concludes with actions that investors, corporates, public sector actors and data providers can consider to improve transition plans for investment decision making.

Jurisdictional updates

60. [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.

Appendix A: Jurisdictional updates

Jurisdiction	Update
United Kingdom	<p>The Financial Conduct Authority published a consultation paper in January 2026 proposing sustainability disclosures by listed issuers in accordance with UK Sustainability Reporting Standards (UK SRS). UK SRS tailor the ISSB standards for the UK.</p> <p>Submissions closed on 20 March 2026. The FCA is aiming to publish a policy statement in (northern) autumn 2026, with the rules coming into force from 1 January 2027.</p>
United States	<p>In the first week of May, the Securities and Exchange Commission formally began the process of rescinding its 2024 rule requiring the disclosure of climate-related risks. According to the SEC, the repeal initiative is intended to reassess the regulatory approach and address concerns surrounding compliance complexity, reporting burdens, and the SEC’s legal authority over climate-related disclosures.</p>
Canada	<p>The Canadian Sustainability Standards Board (CSSB) proposes, subject to feedback on the ED, to adopt the ISSB <i>Amendments to Greenhouse Gas Emissions Disclosures</i> with appropriate Canadian modifications.</p> <p>Key proposals:</p> <ol style="list-style-type: none"> 1. Alignment with ISSB amendments on greenhouse gas (GHG) emissions disclosures 2. Canadian modification: effective date 3. Permanent relief for some types of Scope 3 Category 15 GHG emissions <p>The CSSB is particularly interested in feedback on the effective date and scope 3 relief.</p> <p>Q1. Effective date: In adopting the ISSB’s amendments to GHG emissions disclosures into CSDS 2, do you agree with the proposed Canadian modification related to effective date of the amendments? If not, what Canadian modification, if any, do you believe is required, and why? Please explain how the modification you propose meets the Criteria for Modification Framework set out in the Appendix to the Due Process Manual.</p> <p>Q2 Relief for facilitated and insurance-related emissions: Given concerns Canadians raised about the permanent nature of the relief for facilitated emissions and insurance-related emissions included in the ISSB’s final amendments to IFRS S2, do you think that CSDS 2 should instead provide time-limited relief? If yes, explain your reasoning in the context of the Criteria for Modification Framework set out in the Appendix to the Due Process Manual and indicate your preferred duration for the relief.</p> <p>In-Brief: Proposed Amendments to CSDS 2: Amendments to Greenhouse Gas (GHG) Emissions Disclosures</p>

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

Memorandum

To: SRB Members
Meeting date: 10 June 2026
Subject: **Documents open for comment**
Date: 28 May 2026
Prepared by: Judy Ryan
Through: Amelia Sharman

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) AGREE not to comment on the CSF NZ Taxonomy - Energy
 - (b) AGREE not to comment on the GRI's exposure drafts for pollution standards
 - (c) NOTE that:
 - i. it agreed to comment on the ISSB's SASB Exposure Draft at the 14 April 2026 meeting
 - ii. an indicative response has been provided in this meeting pack
 - iii. the final comment letter is to be approved by circular resolution given the deadline of the submission period.

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[™].

Domestic

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

Table 1: Domestic documents open for comment

Document	Organisation	Expected release date	Comments on the Board's response
<u>NZ Taxonomy - Energy</u>	CSF	8 June 2026	Staff recommend that the Board does not submit on this consultation. See below 'NZ Taxonomy – Energy'.

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 the Board's response
<u>IPSASB work program consultation</u>	IPSASB	4 May 2026	The joint SRB-NZASB <u>comment letter</u> was submitted to the IPSASB on 30 April 2026.
<u>Actions and Market Instruments RFI</u>	GHG Protocol	Extended to 15 June from 31 May 2026	SRB agreed not to comment at 14 April 2026 meeting.
<u>Connectivity of financial and sustainability reporting</u>	EFRAG	30 June 2026	SRB agreed not to comment at 14 April 2026 meeting.
<u>Exposure drafts for pollution standards</u>	GRI	8 June 2026	We recommend that the SRB agrees not to comment on these proposals due to higher-priority work. See below 'GRI Topic Standard for Pollution'
<u>Exposure draft for Agricultural Products, Meat & Dairy, and Electric Utilities & Power Generators SASB Standards</u>	ISSB	24 July 2026	SRB agreed at 14 April 2026 meeting to comment on this ED. An indicative response has been provided for feedback to this meeting. The final letter will be approved by circular resolution.

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	Expected release date	Comments on the Board's response
Corporate Standard	GHG Protocol	Q2 2026	We expect to respond to this consultation (resourcing permitting)
Scope 3 Standard	GHG Protocol	Q3 2026	We expect to respond to this consultation (resourcing permitting)

Document	Organisation	Expected release date	Comments on the Board's response
Scope 2 Standard (phase 2)	GHG Protocol	Q2 2026	We expect to respond to this consultation (resourcing permitting)
Nature-related Disclosures	ISSB	H2 2026	We expect to respond to this consultation (resourcing permitting)

New Zealand Taxonomy – Energy

6. In June, the Centre for Sustainable Finance Toitū Tahua (CSF) opens its third public consultation on the Aotearoa New Zealand Sustainable Finance Taxonomy (NZ Taxonomy). This follows work on the NZ Taxonomy in 2025 which was focussed on developing criteria for the agriculture and forestry sectors. The consultation will run for five weeks, closing Friday 10 July.
7. During this round, feedback will be sought on:
 - (a) Energy sector climate change mitigation Substantial Contribution criteria
 - (b) Energy sector climate change adaptation and resilience Whitelist – this list contains specific interventions that can be applied to an activity/asset to improve its adaptive capacity and resilience
 - (c) Energy sector activity-specific DNSH (Do no significant harm) criteria – provides protections from adverse environmental consequences specifically relevant to energy sector activities
 - (d) Guidance on the role of fossil gas generation activities in a credible transition portfolio.
8. The Director Sustainability Reporting is a member of the NZ Taxonomy technical expert group. This means that issues relating to coherence with reporting standards can be dealt with during this process, and as such, we do not consider that there is a need to submit separately as part of the public consultation.

Question for the Board

- Q1. Does the Board AGREE NOT TO COMMENT on CSF's New Zealand Taxonomy – Energy?

GRI Topic Standard Project for Pollution

9. This project includes the following topic standards: Air Pollution, Soil Pollution and Critical Incidents.
10. The Air Pollution ED helps organisations report on the management of air pollutants and their impacts (excluding GHG emissions). The exposure draft contains one topic management disclosure and three topic disclosures.
11. The Soil Pollution ED covers soil pollution, which the presence of a chemical or substance in soil whose nature, location, or amount may harm human health and cause negative environmental impacts. The exposure draft contains one topic management disclosure and two topic disclosures.
12. The Critical Incidents ED covers critical incidents caused by natural events and human activities, such as floods and vehicle collisions. Critical incidents are emergencies and accidents characterized by a low likelihood and severe impact. The ED is sector agnostic and requires organisations to explain which incidents they consider critical and how. The ED

will replace Disclosure 306-3 Significant Spills in GRI 306: Emissions 2016. The ED has one topic management disclosure and three topic disclosures.

13. Given limited resources, the Board prioritises engagement on international developments that directly influence New Zealand's mandatory reporting framework. The topics covered are not currently within the scope of active XRB projects or immediate regulatory needs. As such, responding would have limited strategic value for advancing the XRB's objectives.

Question for the Board

- Q2. Does the Board AGREE NOT TO COMMENT on GRI's Exposure Drafts: *Air Pollution, Soil Pollution, and Critical Incidents*?

ISSB exposure draft for SASB Standards for Agricultural Products, Meat & Dairy, and Electric Utilities & Power Generators

14. The XRB has contacted stakeholders across agriculture and food production, energy and utilities, and relevant public sector agencies, including major preparers and system-level stakeholders. The intent of this outreach was to make these stakeholders aware of the consultation, should they wish to either respond individually or provide input to the XRB's submission.
15. Contacted stakeholders were:
- (a) Agriculture and food production: Zespri, A2 Milk, Fonterra, Pāmu, Silver Fern Farms
 - (b) Energy and utilities: Contact Energy, Genesis Energy, Mercury, Meridian Energy, Transpower, Vector (all CREs), PowerCo
 - (c) Ministry for Primary Industries
 - (d) New Zealand Trade and Enterprise
16. The draft response to the Exposure Draft is attached as Appendix A. You have also been sent this letter as a Sharepoint version for you to provide any electronic comments or feedback on, with a closing date of Monday 15 June. This draft has also been shared with the targeted stakeholders identified above, with any feedback they wish to share with the XRB requested by no later than Friday 12 June.
17. The final letter will be sent for approval via circular resolution on 22 June, with approval requested by 26 June. The letter will be sent by 30 June.

Action for the Board

- Q3. Review and provide feedback on the draft response to ISSB's SASB Exposure Draft by no later than EOD Monday 15 June.

Attachment

- [Draft submission letter SASB ED 2026](#)

[30 June 2026] – DRAFT FOR STAKEHOLDER FEEDBACK

International Sustainability Standards Board (ISSB)

Submitted via [Submit a comment letter](#)

Dear ISSB Secretariat,

Enhancing the SASB Standards Phase 1 continued – July 2026 (SASB/ED/2026/1)

The External Reporting Board thanks you for the opportunity to comment on the Exposure Draft *Proposed amendments to the SASB Standards and the IFRS S2 Industry-based Guidance* (March 2026).

Relationship to prior XRB submissions

The feedback in our [November 2025 submission](#) to the ISSB remain highly relevant to this Exposure Draft. In particular, our comments on the ISSB architecture, the role of SASB Standards within that architecture, the importance of interoperability with other frameworks, and the need for clear boundaries between non-mandatory guidance and mandatory requirements all apply to this Exposure Draft.

Observations on nature-related disclosures and overall direction

We support the ISSB's objective to enhance the SASB Standards by improving international applicability, strengthening decision-useful information for investors, and enhancing interoperability with other sustainability frameworks. We particularly welcome the introduction of deforestation- and conversion-free metrics, the strengthened focus on supply chains and land-use impacts, and the broader incorporation of nature-related risks and opportunities.

However, while the proposed amendments introduce important disclosures on land use and nature (e.g. FB-AG-160a.1–160a.6; FB-MP-160a.5–160a.7), these are primarily focused on exposure and management rather than biodiversity outcomes or impacts. Compared to other frameworks such as GRI Biodiversity, we suggest that this may limit users' ability to assess an entity's effects on ecosystems, including habitat condition and biodiversity loss.

We encourage the ISSB to clarify how these disclosures will interact with its emerging work on nature and biodiversity, how this aligns with its focus on financially material information and how this interaction will be reflected in the evolving ISSB architecture.

Interoperability and international alignment

We strongly support the ISSB's continued focus on interoperability. Alignment with European requirements is critical. These markets are important for many jurisdictions' agricultural and food supply chains. We encourage the ISSB to work closely with EFRAG to develop common disclosures for deforestation, land use and supply chain matters, building as far as possible on existing European requirements.

We note that European frameworks including ESRS E4 Biodiversity and Ecosystems and GRI 101: Biodiversity 2024, include more extensive requirements on biodiversity impacts, such as ecosystem condition and species-level effects. In contrast, the proposed SASB metrics primarily focus on location and scale of land use, rather than including these elements of ecosystem

condition or quality. We therefore query whether the proposed SASB metrics capture sufficient information for investors.

Internal consistency across SASB standards

We also emphasise the importance of internal consistency across the revised standards. Feedback from stakeholders, including EFRAG, highlights differences in how key topics and metrics are structured and presented across standards, including between the Electric Utilities and Power Generators standard and the Agricultural Products and Meat, Poultry and Dairy standards.

In particular, differences in the treatment and placement of climate-related disclosures, energy management topics, and supply chain metrics risk reducing comparability and increasing complexity for preparers operating across multiple sectors. We encourage the ISSB to adopt a more consistent design approach across standards and to clearly explain any departures from that approach.

Summary

For clarity, our detailed responses to the ISSB's specific questions are provided in an appendix to this letter. These responses elaborate on the key themes outlined above and highlight where we consider further clarification or alignment is needed.

Overall, our comments focus on ensuring that the amendments deliver decision-useful, internationally comparable information while remaining operational for preparers in global supply chains.

Our key messages are that the proposed amendments represent an important step forward, but their effectiveness will depend on clarity of key concepts, alignment with emerging global frameworks, and ensuring that requirements remain practical for preparers across jurisdictions.

We would be pleased to discuss any aspect of this submission further.

Yours sincerely,

Becky Lloyd
Chair Sustainability Reporting Board, External Reporting Board

Appendix – Responses to specific questions

Question 1 – Agricultural products standard

Support for proposed themes

We support the inclusion of disclosures on land use and ecological impacts, including deforestation- and conversion-free production (FBAG160a.4), environmental supply chain management such as deforestation-free sourcing (FBAG430c.1), and expanded supply chain due diligence.

Areas for improvement

We recommend further clarification of key definitions, particularly the meaning of “deforestation- or conversion-free”. Introducing a common cut-off concept may improve comparability across jurisdictions. We also consider that the current requirement to disclose the “level of traceability” in FBAG430c.1 could result in inconsistent application. Additional guidance or practical examples would help address this.

Greater clarity is also needed on proportionality. Guidance on expected value chain coverage would help ensure that the metrics remain operational and cost-effective across different jurisdictions and entity types.

While we support the proposed metrics on land use and ecological impacts (FB-AG-160a.1–160a.6), we note that these primarily focus on exposure and management rather than on biodiversity impacts or outcomes. We therefore query whether the proposed metrics capture sufficient information for investors.

We encourage the ISSB to consider whether additional guidance or future enhancements could incorporate ecosystem condition or quality indicators, and more explicit disclosure of significant biodiversity impacts, consistent with developments in other frameworks such as GRI and ESRS.

Question 2 – Meat, poultry and dairy standard

Support

We support the inclusion of deforestation- and conversion-free livestock production (FBMP160a.7) and sourcing metrics (FBMP430b.1), together with the strengthening of supply chain disclosures. These are particularly relevant in sectors with material Scope 3 impacts.

Areas for improvement

We recommend improved alignment with emerging global land-sector frameworks, including the GHG Protocol Land Sector and Removals Standard and SBTi FLAG guidance, as clarity on these relationships will support consistent application.

Further guidance would also improve comparability, particularly in relation to traceability, the use of proxies, and assessment methodologies. Without this, there is a risk of inconsistent application across preparers.

We note similar considerations apply to biodiversity-related metrics in this Standard (e.g. FB-MP-160a.5–160a.6), which focus on footprint and location rather than ecosystem condition or biodiversity outcomes.

Question 3 – Electric utilities and power generators

Support

We support the general direction of the proposed enhancements.

Areas for improvement

Our primary comment is to reiterate the importance of alignment with IFRS S2 and to avoid introducing inconsistencies with IFRS S2. This is particularly important where similar sustainability matters are addressed across sectors, as inconsistent structuring of metrics and topics may reduce comparability and increase reporting complexity. In particular, feedback from EFRAG highlights that the Electric Utilities standard adopts different approaches to key topics and metrics compared to the Agricultural Products and Meat, Poultry and Dairy standards, including the treatment and placement of climate-related disclosures and energy management topics.

Question 4 – Consequential amendments to IFRS S2 industry-based guidance

We agree that consequential amendments are necessary to maintain alignment. It is important that the guidance remains consistent with the core requirements of IFRS S2 and avoids duplication or confusion between standards and supporting materials.

Question 5 – Relationship with IFRS Sustainability Disclosure Standards

We broadly support the ISSB's approach but recommend further clarification on how preparers should integrate SASB metrics with IFRS S2 requirements. Clearer articulation would also help avoid duplication where similar information may otherwise be disclosed in multiple locations.

In particular, for biodiversity-related disclosures such as FB-AG-160a.1 (area disturbed/restored) and FB-AG-160a.2 (operations near sensitive locations), the absence of information on ecosystem condition or impact severity may limit the comparability and interpretability of disclosures across entities and jurisdictions.

Question 6 – Effective date

We support the proposed approach to the effective date, including the provision of a 12-18 month implementation period and the option for early application.

Question 7 – Objective of the amendments

We agree with the stated objective. However, achieving that objective will depend on ensuring clarity, comparability and operability in practice, and additional guidance may be required to support this.

Question 8 – Interoperability with other frameworks

We strongly support the ISSB's focus on interoperability and encourage continued engagement with key bodies such as EFRAG, the GHG Protocol and SBTi. Alignment should be prioritised in areas such as deforestation, land use and supply chain disclosures, particularly given the importance of global markets and supply chains for jurisdictions such as New Zealand.

Question 9 – Climate-related content

We support the proposed amendments to climate-related content. However, we recommend greater clarity on how land-use disclosures interact with GHG emissions reporting under IFRS S2, to avoid fragmentation and ensure a coherent framework.

Question 10 – Nature and human capital

We support the increased focus on nature-related disclosures, including land use, biodiversity and supply chain impacts. These proposals represent an important step toward more comprehensive sustainability reporting and are broadly consistent with user demand.

However, we are concerned about how these amendments will interact with the ISSB's ongoing projects on nature and human capital. Introducing more detailed requirements at this stage creates a risk of misalignment, duplication and subsequent revision once those projects are completed.

We therefore encourage the ISSB to clearly articulate how these amendments are intended to align with, and evolve alongside, its future work on nature and human capital. Providing this clarity would help preparers understand the expected direction of travel and support more stable and coherent implementation over time.

DRAFT