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# Update on ISSB's activities, with focus on areas of collaboration

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# International infrastructure



## ISSB Standards

Standardised approach for disclosure

Provides high-quality, transparent and comparable information that is decision-useful for investors



## IAASB – Assurance Standards

Standardised approach for providing independent assurance

Credible and trustworthy information



## IESBA – Ethics and Independence Standards

Ethical mindset and behaviours to guide judgments and drive actions

Trustworthy information that is factual and not misleading

# Assurability

It is important that investors can be **confident** in the quality of information disclosed by companies.

The ISSB Standards have been designed with **assurance** in mind. For example:

- the principle of **verifiability** gives investors confidence that information is **complete, neutral and accurate**
- the Standards use the same concept of **materiality** as the IASB, providing a familiar reference point for assurance providers
- the Standards offer detailed guidance which helps auditors assess the validity of **assumptions and methodologies**, such as those applied to climate-related scenario analysis



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# Statement of compliance

- An entity whose sustainability-related financial disclosures comply with all the requirements of ISSB Standards shall make an **explicit and unreserved statement of compliance**
- An entity shall not describe sustainability-related financial disclosures as complying with ISSB Standards unless they **comply with all the requirements** of ISSB Standards

Refer to paragraphs 72–73 of IFRS S1

ISSB Standards relieve a company from disclosing information otherwise required by the Standards if:

- law or regulation prohibits the company from disclosing that information; or
- information about a sustainability-related **opportunity** is commercially sensitive
  - high threshold for commercially sensitive information
  - each item of information omitted must be reassessed at each reporting date if it qualifies for exemption

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# Adoption of ISSB Standards and introduction of assurance requirements



## Jurisdictional progress

### Americas

Bolivia, Brazil, Canada, Chile, Costa Rica, El Salvador, Mexico, Panama

### Asia-Oceania

Australia, Bangladesh, China, Hong Kong SAR, Japan, South Korea, Indonesia, Malaysia, Pakistan, Philippines, Singapore, Sri Lanka, Chinese Taipei, Thailand

### EMEA

EU, Ghana, Jordan, Kenya, Nigeria, Qatar, Rwanda, Switzerland, Tanzania, Türkiye, Uganda, UK, Zambia, Zimbabwe

This list is based on information available to the IFRS Foundation as of 30 April 2025. The jurisdictions listed on this slide are those that have noted publicly that they have adopted or otherwise used ISSB Standards or have announced they will do so.



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## Jurisdictional profiles – the process

- Informed by [bilateral discussions](#) with jurisdictions
- Developed based on [publicly announced roadmap/legislation](#)
- Subject to [third party review](#)
- Available in [dedicated section of IFRS Foundation website](#) - [Use of IFRS Sustainability Disclosure Standards by jurisdiction](#)



# Profiles and snapshots provide transparency on progress



## Clear market demand for clarity on jurisdictional approaches



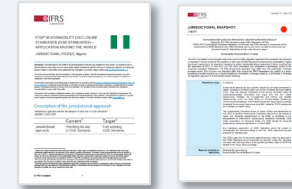
**Investors and other capital market participants** benefit from greater understanding of the degree of alignment of jurisdictional approaches to ISSB Standards and entities required to report



**Regulators** benefit from greater understanding of decisions of jurisdictions that have already adopted ISSB Standards



**Preparers** benefit from enhanced understanding of jurisdictional landscape and how to leverage ISSB Standards as a global passport to meet different jurisdictional requirements



## Jurisdictional profiles and snapshots

Describe **jurisdictional approaches to adoption or other use of ISSB Standards**, including the regulatory stage, entities subject to the requirements and when they will become effective

First batch: **17 profiles and 16 snapshots**

Build on [Jurisdictional Guide](#) from May 2024

Support regulators, investors and preparers in **having access to information about jurisdictional approaches and steps being taken by jurisdictions in their adoption journeys**



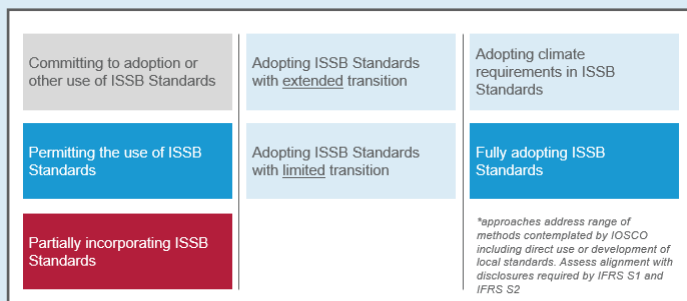


# Key information within the jurisdictional profiles



## 1 Jurisdictional approaches

- The profiles describe the jurisdictional approaches to adoption or other use of ISSB Standards, in line with the 7 **articulated in the Jurisdictional Guide**
- They include information about each jurisdiction's stated target and current status of its sustainability-related disclosure requirements



## 2 Provide details on Features

- regulatory approach
- relevant authority or authorities
- reporting entity (who)
- effective date
- requirements
- focus and scope of sustainability-related risks and opportunities
- timing, location and reporting entity
- any extension of transition reliefs
- any jurisdictional modifications
- any additional disclosure requirements

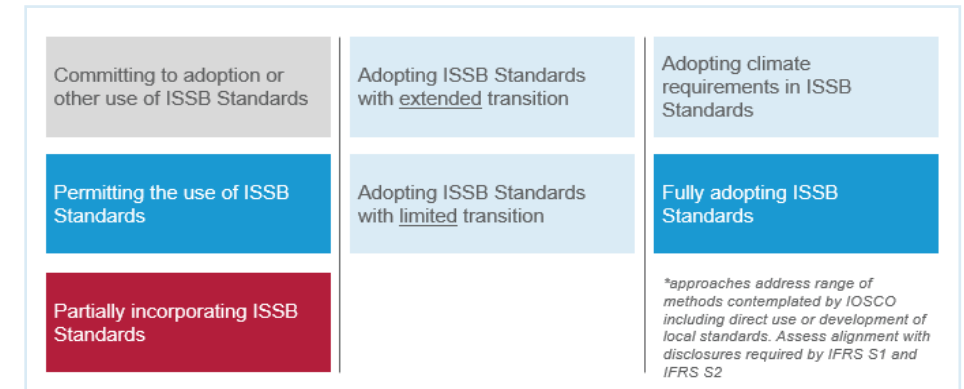


# Jurisdictional approaches: target and current status

## Descriptions of jurisdictional approaches as per the Jurisdictional Guide

Jurisdictional profiles provide a description of the jurisdiction's stated target and current status of its sustainability-related disclosure requirements

These are based on the seven descriptions in Section 3.4 of the Jurisdictional Guide, ranging from permitting the use of ISSB Standards to fully adopting



### 'Target' Approach

- Stated jurisdictional target that a jurisdiction **aims to achieve** for sustainability-related disclosure requirements
- Target could reflect the (i) **final milestone** in the jurisdictional roadmap or (ii) **the requirements that have already been introduced by law or regulation**, but application by entities is required at a future date

### 'Current' Approach

- Provides the **most up-to-date status** of a jurisdiction's sustainability-related disclosure requirements, including the adoption or other use of the ISSB Standards, that entities are **required or permitted to apply at the time the jurisdictional profile is published – that is, what is in effect today**
- Profiles will be updated as their 'current status' changes

# Jurisdictional profiles and snapshots include information about assurance requirements

## Profiles – Example for Australia

(extract not complete - based on information as at 12 June 2025)

**Assurance:** what level of assurance over sustainability-related disclosures does the jurisdiction require?

Assurance requirements will apply to all entities required to present a sustainability report under the Corporations Act. Mandatory climate reporting under the Corporations Act will be subject to the phasing in of limited and reasonable assurance under the Auditing and Assurance Standards Board Standard ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001*. [...]

In an entity's fourth year of reporting, reasonable assurance is required over all disclosures required to be reported by the Corporations Act. **Limited and reasonable assurance is required to be conducted in accordance with ASSA 5000 General Requirements for Sustainability Assurance Engagements, which is the Australian equivalent of International Standard on Sustainability Assurance 5000, General Requirements for Sustainability Assurance Engagements.**

## Profiles – Example for Brazil

(extract not complete - based on information as at 12 June 2025)

**Assurance:** what level of assurance over sustainability-related disclosures does the jurisdiction require?

Resolution CVM 193 and its subsequent amendments, Resolution CMN 5,185 and Resolution BCB 435 establish different assurance requirements during the voluntary and mandatory application periods. [...]

Assurance is required on all disclosures and the applicable assurance frameworks are:

- **International Standard on Sustainability Assurance (ISSA) 5000, to be approved in Brazil;**
- Trabalho de Asseguração Diferente de Auditoria e Revisão (NBC TO 3000) equivalent to the International Standard on Assurance Engagements (ISAE) 3000 (revised);
- **International Ethics Standards for Sustainability Assurance (IESSA), to be approved in Brazil;** and
- IESBA International Code of Ethics for Professional Accountants.

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# Supporting implementation of IFRS S1 and IFRS S2



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# Supporting IFRS S1 and IFRS S2 implementation



Develop and enhance **educational materials** that explain the core concepts underpinning IFRS S1 and IFRS S2



Convene the **Transition Implementation Group** (TIG) to discuss companies' questions related to implementing IFRS S1 and IFRS S2



Monitor the **progress of relevant standard-setters and framework providers** to assess potential implications for IFRS S1 and IFRS S2



Design and deliver comprehensive **regulatory and market capacity-building programme**



Support companies in using the **ISSB Taxonomy** to enhance efficient digital consumption and comparison of reports



Issue **targeted amendments to IFRS S2** to provide **reliefs for GHG emissions disclosures** in response to application challenges



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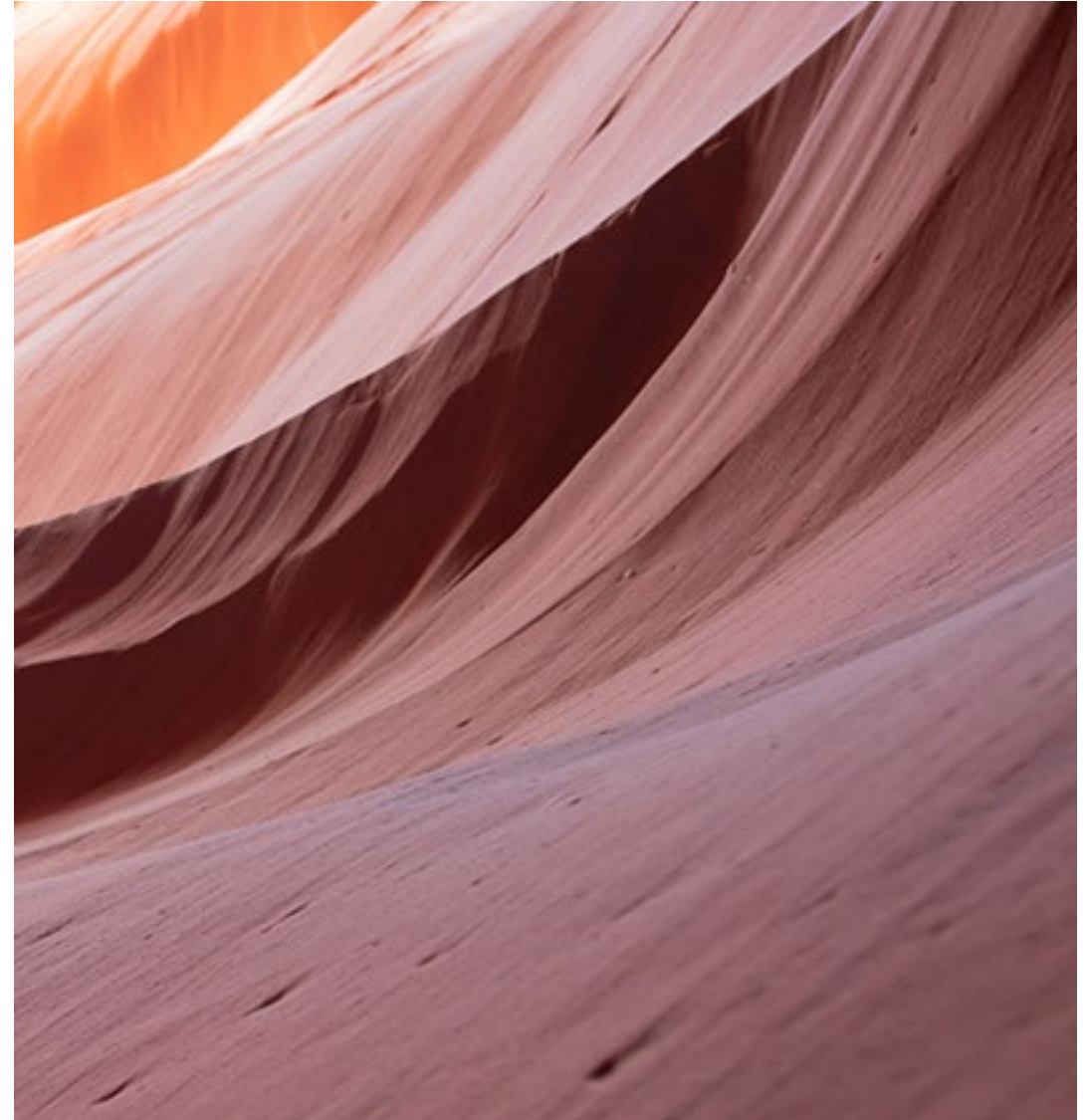
# Recent educational material

## Material published in 2025

- Explanation of proportionality mechanisms
- How to apply IFRS S1 when reporting only climate-related disclosures in accordance with IFRS S2
- Greenhouse Gas Emissions Disclosure requirements applying IFRS S2 Climate-related Disclosures
- Disclosures about transition plans
- Using ISSB industry-based guidance
- Disclosing information about anticipated financial effects

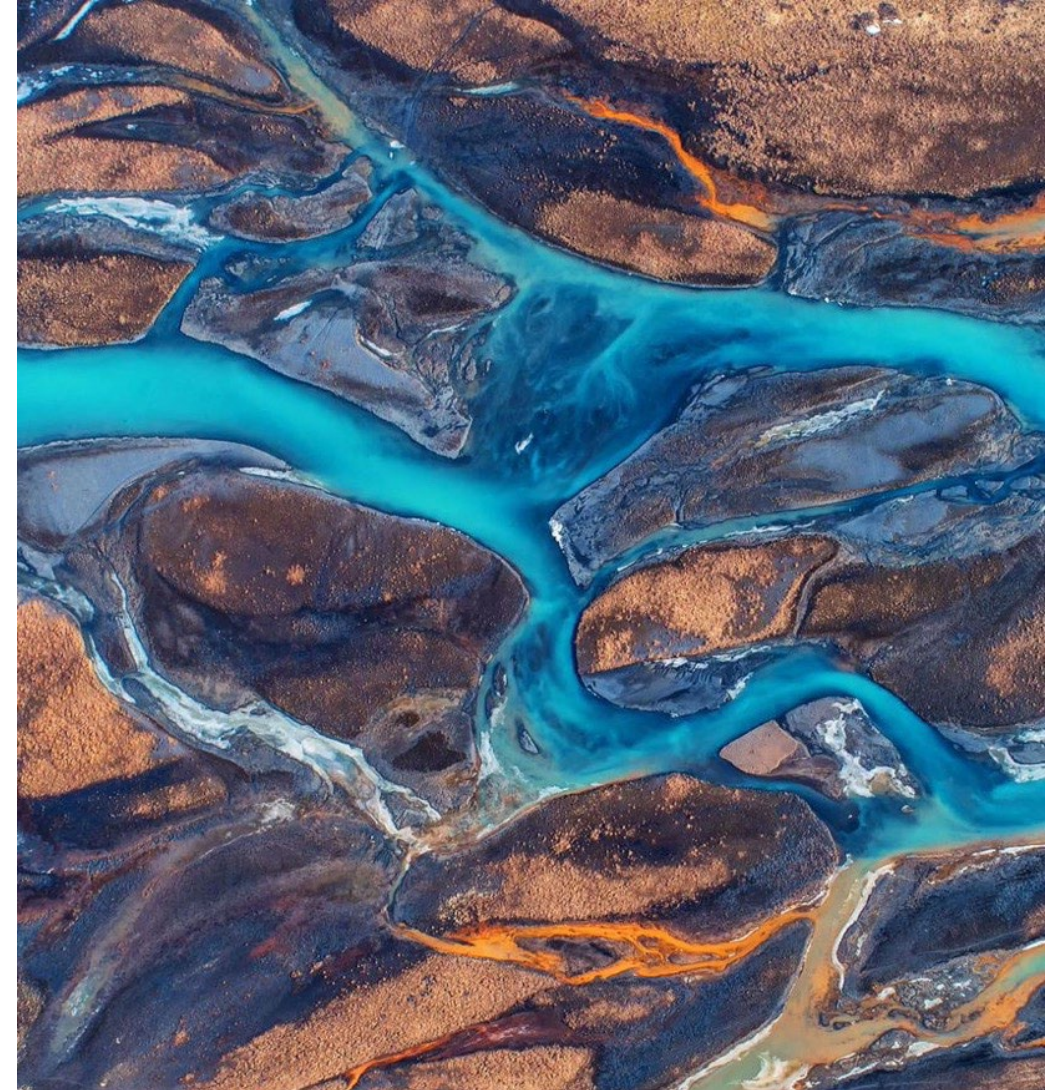
## Material in development

- Climate-related resilience and scenario analysis



# Capacity building activities

- Strategic events
- Speaking platforms (including roundtables, panels)
- Ongoing amplification of core messages
- Training (including e-learning, 101 preparer readiness and train-the-trainer)
- Embedding ISSB Standards in education standards / curriculums
- Resources in IFRS Sustainability Knowledge Hub
- Translations



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## Interoperability – recent developments about GRI Standards and ESRS



# GRI equivalence agreement

- **GSSB has granted equivalence** for companies that report using both GRI 102 and IFRS S2
- These companies can use the equivalent IFRS S2 disclosures for **Scope 1, Scope 2 and Scope 3 GHG emissions** to meet GRI 102 requirements
- To be able to provide **equivalent IFRS S2 GHG emission disclosures**, companies reporting in accordance with or with reference to the GRI Standards will have to:
  - measure their GHG emissions in accordance with the *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004)* and
  - include a reference to the location where the information for each of the disclosures can be found as per the *Publish a GRI content index requirement in GRI 1: Foundation 2021*
- **Equivalence is one-way:** IFRS S2 can be used to satisfy GRI 102 on GHG emissions reporting

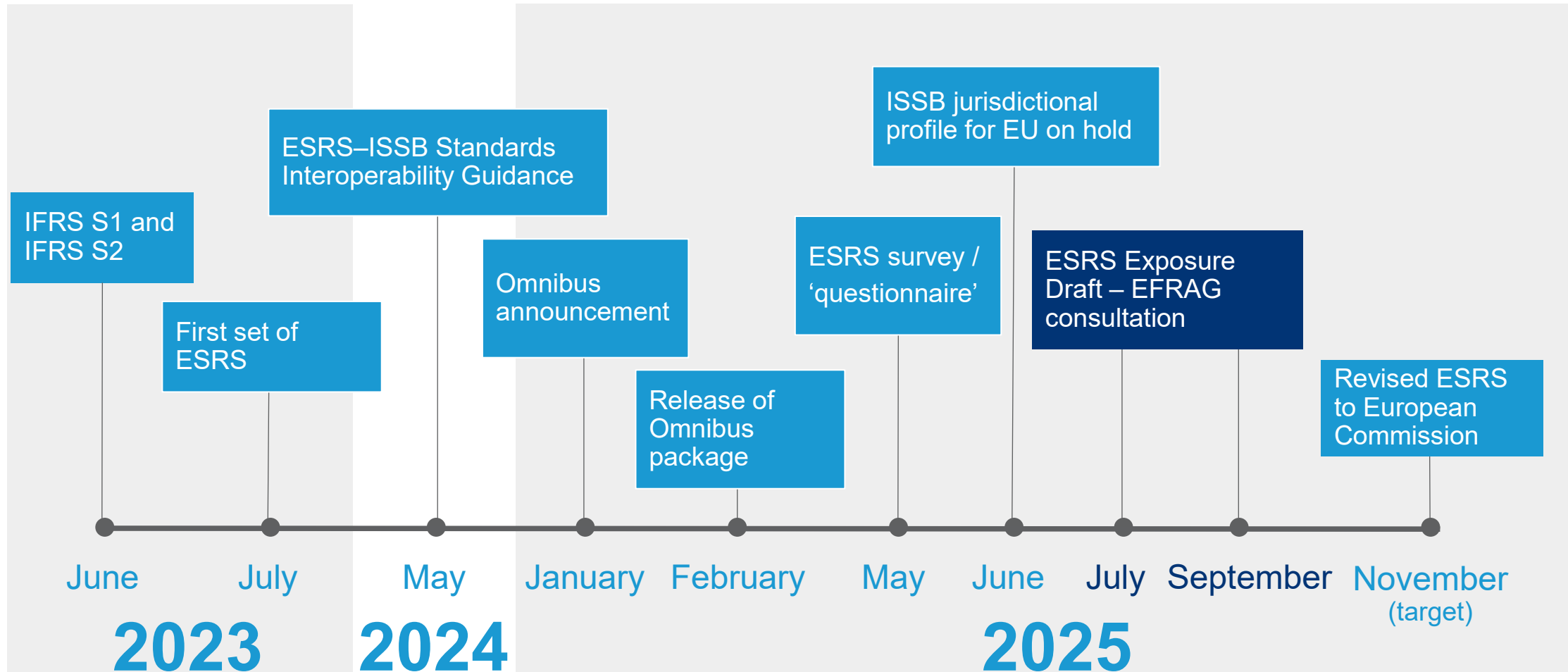


**GRI 102 and IFRS S2: Statement on reporting on both standards and equivalence for IFRS S2 on GHG Emissions Disclosures**

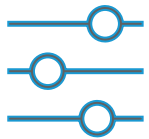
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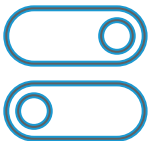
# EU Omnibus package timeline



# EU Omnibus: opportunities for efficient reporting



- **Most effective way** to ensure efficient reporting is to enable companies to use the **ISSB Standards as a starting point** and ‘top up’ with specific impact disclosures to achieve compliance with the CSRD/ESRS



- **In the absence of equivalence** or alternative compliance, a company will need to **navigate between two sets of standards** to comply with both sets
- Less efficient solution

## Proposed changes to ESRS

- Some positive aspects for further efficiencies (for example, on industry-based disclosures)
- Some proposals pose a significant risk to interoperability (for example, on anticipated financial effects)
- Overall significant change affecting the ESRS–ISSB Standards Interoperability Guidance



# Key focus areas of proposed changes to ESRS

1. Industry based disclosures
2. Anticipated financial effects
3. Organisational boundary – GHG emissions
4. Reliefs
5. Presentation – non obscuring
6. Requirements added: 'Gross vs Net'
7. Requirements added: 'leased assets'



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## Q&A



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