



Project:	Other Business – Public	Meeting:	AASB June 2026 (M221)
Topic:	Cover Memo	Agenda Item:	12.1
		Date of the Agenda Paper:	2 June 2026
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		Decision-Making:	Low
		Project Status:	N/A

Objective of this paper

- 1 The objective of this paper is to inform the Board about matters under Other Business – Public. **No action is required from the Board on any of the items in this memo, they are included for noting only.** Please refer to the tables below for details.

AASB SUBMISSIONS

Paper No.	Title	Staff comment	Board action
N/A			

IASB AND IFRS IC UPDATES

Paper No.	Title	Staff comment	Board action
N/A	IASB Update May 2026	<p>The IASB extended the comment letter due date for the Exposure Draft <i>Risk Mitigation Accounting</i> to 30 November 2026 to align it with the final submission date for the fieldwork results.</p> <p>The IASB expects to issue the amendments to the Fair Value Option (IAS 28) in June 2026.</p> <p>Staff do not consider that there are any other matters to raise in relation to the May 2026 IASB update.</p>	Included for noting only. No action is required at this meeting.

Paper No.	Title	Staff comment	Board action
N/A	IASB Update April 2026	In response to feedback received on IFRS 16 Leases PIR, the IASB tentatively decided to explore requiring lessees to disclose the components of the total cash outflow for leases together with the line item in the statement of cash flows in which each component is presented. Staff do not consider that there are any other matters to raise in relation to the April 2026 IASB update.	Included for noting only. No action is required at this meeting.
N/A	Rate-regulated Activities	The IASB issued a new Standard IFRS 20 <i>Regulatory Assets and Regulatory Liabilities</i> in May. This Standard replaces IFRS 14 <i>Regulatory Deferral Accounts</i> . AASB staff are currently preparing the Australian equivalent Standard and will seek the Board's approval to issue the Standard through an out-of-session vote.	Included for noting only. No action is required at this meeting.

ISSB AND TIG¹ UPDATES

Paper No.	Title	Staff comment
N/A	ISSB Update April 2026	The ISSB discussed its project on <i>Nature-related Disclosures</i> , which is at the standard-setting phase. <i>Location-specific information about nature-related risks and opportunities</i> The ISSB tentatively decided to: <ul style="list-style-type: none"> a) 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 that could reasonably be expected to affect its prospects over the short, medium and long term; b) provide incremental guidance on disclosing location-specific information about nature-related risks and opportunities across core content areas; c) require an entity to disclose the amount and percentage of assets or business activities (1) vulnerable to the nature-

¹ The Transition Implementation Group on IFRS S1 and IFRS S2 (TIG) discusses, in a public forum, implementation questions that arise when companies implement IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* (IFRS S1) and IFRS S2 *Climate-related Disclosures* (IFRS S2).

Paper No.	Title	Staff comment
		<p>related risks it has identified and (2) aligned with the nature-related opportunities it has identified; and</p> <p>d) 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.</p> <p><i>Information on engagement with Indigenous Peoples, Local Communities and affected stakeholders in the context of nature-related risks and opportunities</i></p> <p>The ISSB tentatively decided to:</p> <p>a) provide guidance on applying IFRS S1 (and relevant SASB metrics referenced by IFRS S1) to disclose material information on how interactions and engagement with Indigenous Peoples, Local Communities and affected stakeholders can give rise to, or help address, nature-related risks and opportunities affecting an entity's prospects (covering categories of stakeholders comprising Indigenous Peoples, Local Communities and affected stakeholders, described using the Taskforce on Nature-related Financial Disclosures framework);</p> <p>b) require an entity to identify the types of stakeholders and communities included within the scope of its disclosures, if information about interactions, including engagement, with them in the context of nature is material in its circumstances; and</p> <p>c) consider the findings of the nature-related disclosures project as part of its work on enhancing the SASB Standards.</p> <p><i>Form of standard-setting</i></p> <p>The ISSB tentatively decided to:</p> <p>a) propose requirements and guidance for nature-related disclosures in the form of an IFRS Practice Statement; and</p> <p>b) invite stakeholders to comment on the proposed form of an IFRS Practice Statement, with reference to alternative forms, by including a specific question in the exposure draft.</p> <p>The ISSB also received an update on the March 2026 TIG meeting. The ISSB was not asked to make any decisions on this item.</p>
N/A	ISSB Update May 2026	<p>The ISSB discussed the following two projects:</p> <p><i>Nature-related Disclosures</i></p> <p><i>Information about the use of nature-related scenario analysis</i></p>

Paper No.	Title	Staff comment
		<p>The ISSB discussed the inclusion of requirements incremental relative to those in IFRS S1 and tentatively decided to:</p> <ul style="list-style-type: none"> a) not 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) 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) 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 used, key assumptions used in scenario analysis and the part of the entity to which the scenario analysis applies; d) 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 (including proportionality mechanisms); and e) 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. <p><i>Identification of nature-related risks and opportunities</i></p> <p>The ISSB tentatively decided to note in the proposed IFRS Practice Statement that the Taskforce on Nature-related Financial Disclosures (TNFD) <i>Guidance on identification and assessment of nature-related issues: The LEAP approach</i> might be relevant in providing nature-related disclosures in accordance with the objective of IFRS S1. The Practice Statement would specify the applicable version of the TNFD LEAP approach.</p> <p><i>Enhancing the SASB Standards—Phase 1</i></p> <p>The ISSB discussed stakeholder feedback on the Exposure Draft <i>Proposed Amendments to the SASB Standards</i>, focusing on the proposed amendments to:</p> <ul style="list-style-type: none"> a) the SASB Standards in the Extractives & Mineral Processing sector; and b) the <i>Processed Foods</i> SASB Standard. <p>The ISSB was not asked to make any decisions on this item.</p>

PUBLIC-SECTOR-SPECIFIC PROJECT UPDATES

Paper No.	Title	Staff comment	Board action
N/A			

NEWS AND OTHER

Paper No.	Title	Content of item	Board action
N/A	ASIC updates guidance on financial reporting and audit relief	<p>ASIC has reissued a regulatory guide to streamline guidance on financial reporting and audit relief and reflect changes to legislation.</p> <p>Regulatory Guide 43 Financial reporting and audit relief (RG 43) provides guidance to entities seeking relief from the financial reporting and audit requirements of the Corporations Act 2001 (Corporations Act).</p> <p>The changes:</p> <ul style="list-style-type: none"> • reflect legislative reforms since the guidance was last updated • incorporate other relevant ASIC guidance, including Regulatory Guide 29 Financial reporting by Australian entities in dual listed company arrangements (RG 29), and • simplify the existing guidance. <p>As part of these changes, RG 29 has been withdrawn.</p>	Included for noting only. No action is required at this meeting.
N/A	ASIC sets financial reporting, audit and sustainability focus areas for FY 2026-27	<p>ASIC has outlined key focus areas for its financial reporting, audit and sustainability reporting activities in the 2026-27 financial year, including updates to its surveillance programs.</p>	Included for noting only. No action is required at this meeting.
N/A	ASIC issues early observations on sustainability reporting ahead of 30 June 2026	<p>Australia’s compulsory sustainability reporting regime, which commenced in 2025, aims to improve the quality, consistency and comparability of climate-related financial disclosures.</p> <p>ASIC has shared observations on the first sustainability reports prepared under Chapter 2M of the Corporations Act 2001 (Corporations Act), focusing on whether users are being provided with high-quality</p>	Included for noting only. No action is required at this meeting.

Paper No.	Title	Content of item	Board action
		and decision-useful information that complies with the Corporations Act and AASB S2 Climate-related Disclosures.	
N/A	ASIC and AASB launch sustainability reporting webinar series	ASIC and the AASB are hosting a series of free online webinars to support entities in better understanding the core concepts underpinning the sustainability reporting requirements.	Included for noting only. No action is required at this meeting.