



Not-for-profit Public Sector Climate-related Financial Disclosures

Project summary

When finalising AASB S2 *Climate-related Disclosures*, the AASB decided to undertake a project to consider developing additional guidance to assist not-for-profit (NFP) public sector entities apply the Standard.

The AASB is undertaking research as a first step to investigate the information needs of users of public sector entities' climate-related financial information and which aspects of AASB S2 might require public-sector-specific guidance or modification. The research report is expected to be published in the first half of 2026.

The AASB is aware that governments in some Australian jurisdictions have introduced, or are in the process of introducing, mandatory climate-related disclosures for their NFP public sector entities. The AASB intends to consider these initiatives as part of its project.

The AASB will seek further stakeholder input through the Agenda Consultation process before determining the scope of any standard-setting work.

Project contacts

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Project priority: Low

Issued documents

- [AASB S1 General Requirements for Disclosure of Sustainability-related Financial Information](#)
- [AASB S2 Climate-related Disclosures](#)

AASB outreach

- Targeted outreach
- Call for participants in August 2025 in [AASB Reporting Roundup](#)

Project status

- Research phase (Research Report expected in H1 2026)

Board deliberations

- [AASB Action Alert Update, Minutes and Board Papers](#)

The staff of the AASB have prepared this summary for information purposes only. The Board decisions described are tentative and do not change current accounting pronouncements unless otherwise indicated. Official positions of the AASB are determined only after extensive due process and deliberations. While this summary is regularly updated, it does not provide a comprehensive review or statement of events and should not be treated as such.

Project news

Date	News
November 2025	November 2025 Action Alert
November 2024	November 2024 Action Alert
July 2024	July 2024 Action Alert
June 2023	June 2023 Action Alert

AASB Action Alert Update and Board Papers

Meeting Date	Update
November 2025 (M216)	<p>The Board considered the preliminary findings of the Public Sector Climate research project and decided to publish a research report in the first half of 2026. The Board also decided to seek further stakeholder input through the Agenda Consultation process before determining the scope of any standard-setting work. This will include obtaining feedback on:</p> <ul style="list-style-type: none"> (a) the demand for national, State and Territory whole-of-economy climate-related information; (b) whether the Board should establish reporting requirements for climate-related policy programs and outcomes; and (c) the users of climate-related information and their information needs in relation to local governments and other public sector owners of significant assets. <p>9.0 Cover Memo – Public Sector Climate Reporting Research Project</p> <p>9.1 Staff Paper – Preliminary research findings and next steps</p>
November 2024 (M210)	<p>The Board discussed IPSASB Sustainability Reporting Standard Exposure Draft SRS ED 1, Climate-related Disclosures. The IPSASB developed the ED based on IFRS S1 <i>General Requirements for Disclosure of Sustainability-related Financial Information</i> and IFRS S2 <i>Climate-related Disclosures</i>. The Board observed the following key differences between the IPSASB SRS ED 1 proposals and AASB S2 <i>Climate-related Disclosures</i>:</p> <ul style="list-style-type: none"> (a) IPSASB SRS ED 1 proposes the disclosure of climate-related risks and opportunities that could reasonably be expected to affect the long-term fiscal sustainability of an entity. This implies an objective broader than the objective of AASB S2, which is to require disclosure of information about climate-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term; and (b) IPSASB SRS ED 1 proposes disclosure of information about the climate-related public policy programs for which an entity is responsible and their outcomes, including climate-related impacts on the economy, environment and people. The Board noted that these are major differences from the requirements of AASB S2 and took the view that it would be premature for the Board to address such significant matters in the context of its current climate-related disclosure project objective.

AASB Action Alert Update and Board Papers

Meeting Date	Update
	<p>The Board therefore decided not to comment on the IPSASB ED. The Board decided to undertake a research project to investigate both the information needs of users of climate-related financial information of not-for-profit public sector entities and guidance that might be needed to assist such entities to apply AASB S2. As part of this project, the Board plans to consider the results of initiatives of governments in Australia to introduce mandatory climate-related disclosures for their public sector entities</p> <p>7.0 Cover Memo – Climate-related financial disclosure requirements for NFP public sector entities</p> <p>7.4 Staff paper – Proposed next steps and timeline</p>
July 2024 (M206)	<p>The Board continued its discussion of the feedback received on [draft] ASRS 1 <i>General Requirements for Disclosure of Climate-related Financial Information</i> and [draft] ASRS 2 <i>Climate-related Financial Disclosures proposed in Exposure Draft ED SR1 Australian Sustainability Reporting Standards – Disclosure of Climate-related Financial Information</i> (October 2023). [...]</p> <p>In respect to public sector entities (SMCs 28–29 in ED SR1), the Board decided:</p> <p>[...]</p> <p>(b) the Board will undertake a project to consider developing additional guidance to assist NFP public sector entities to apply ASRS 2, commencing after finalising ASRS 1 and ASRS 2 by considering the forthcoming IPSASB Exposure Draft on Climate-related Disclosures (expected to be published in October 2024).</p> <p>[...]</p> <p>4.2.0 Staff Paper – Executive summary of Agenda Papers 4.2.1–4.2.4 regarding NFP entities and public sector entities</p> <p>4.2.1 Staff Paper – Modifications to the objective of [draft] ASRS 2 for NFP entities (SMCs 23–24)</p> <p>4.2.2 Staff Paper – Proportionality relief paragraphs for NFP entities (SMC 25)</p> <p>4.2.3 Staff Paper – Scalability of disclosures for NFP entities (SMCs 26–27)</p> <p>4.2.4 Staff Paper – NFP public sector considerations (SMCs 28–29)</p> <p>4.3.1 Staff Paper – Application of the AASB Sustainability Reporting Standard-Setting Framework (GMC 30)</p>
June 2023 (M196)	<p>The Board decided to expand the scope of the Climate-related Financial Disclosure project, previously limited to the for-profit sector, to explore the development of sector-neutral Australian climate-related financial disclosure requirements.</p> <p>3.0 Staff Paper – Scope of the Climate-related Financial Disclosure project</p>