



**Subject:** Summary of the 3<sup>rd</sup> meeting of the AASB S2 Implementation Advisory Panel (IAP)

**Meeting date:** 17 November 2025

**Contact:** [sustainabilityreporting@aasb.gov.au](mailto:sustainabilityreporting@aasb.gov.au)

*This paper has been prepared to summarise a meeting of the AASB S2 Implementation Advisory Panel. It does not purport to represent the views of any individual member of the Australian Accounting Standards Board or staff.*

*Comments on the application of Australian Sustainability Reporting Standards do not purport to set out acceptable or unacceptable application of Australian Sustainability Reporting Standards.*

### **Summary of the IAP meeting held on 17 November**

The IAP held its third meeting virtually on 17 November 2025.

IAP members engaged in a discussion on three topics:

- (a) an update on matters discussed at the last meeting, focused on ways in which the AASB can support application of the Australian Sustainability Reporting Standards;
- (b) the most recent five IAP submissions received and analysed by AASB staff against the criteria; and
- (c) the International Sustainability Standards Board's Transition Implementation Group (ISSB TIG)'s November 2025 meeting papers AP2 and AP3.

### **The most recent IAP submissions received and analysed by AASB staff against the criteria**

Five submissions were received in the relevant period (#2-#6). The submissions log is available in Appendix A of this paper, which includes details of submissions and the AASB staff response.

### **ISSB TIG November meeting paper AP2 - GHG emissions attributable to a group related to transactions between entities in the group**

The ISSB TIG met in November 2025 to discuss an implementation question about greenhouse gas (GHG) emissions attributable to a group related to transactions between entities in the group.

The implementation question asked the ISSB TIG about how an entity applies the requirements in IFRS S2 *Climate-related Disclosures* related to measuring and disclosing GHG emissions in circumstances in which the reporting entity is a group and there are intracompany transactions between entities within the group. Entities applying AASB S2 may have a similar implementation question.

At the November 2025 IAP meeting, IAP members shared their perspectives on the implementation question in the context of applying AASB S2.

Entities applying AASB S2 may find the ISSB TIG November 2025 [Paper AP2](#) and [Meeting Summary](#) to be useful resources in considering this implementation question.



## ISSB TIG November meeting paper AP3 - Scope 3 GHG emissions applying IFRS S2

The ISSB TIG met in November 2025 to discuss an implementation question relating to Scope 3 GHG emissions applying IFRS S2.

The implementation question asked the ISSB TIG about whether the requirement to measure and disclose Scope 3 GHG emissions is limited to emissions captured by the 15 categories in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011). Entities applying AASB S2 may have a similar implementation question.

At the November 2025 IAP meeting, IAP members shared their perspectives on the implementation question in the context of applying AASB S2.

Entities applying AASB S2 may find the ISSB TIG November 2025 [Paper AP3](#) and [Meeting Summary](#) to be useful resources in considering this implementation question.

### Future meetings

The IAP will meet periodically to discuss questions arising from implementing AASB S2 that meet the submission criteria. Any stakeholder can submit a question.

Details on the IAP submission criteria and the question submission form are available on the [AASB website](#).

**Appendix A: AASB S2 Implementation Advisory Panel****Submissions log compiled by AASB staff****Last updated 6 November 2025**

Sub #	Topic	Stakeholder question	IAP meeting	AASB Staff Response
1	Emission factors	How can preparers and auditors assess which emission factors best represent the entity's activity as a basis for measuring its greenhouse gas (GHG) emissions?	Sept. 2025	<p>The emission factors an entity uses to measure its greenhouse gas emissions are specific to its circumstances. AASB S2 does not prescribe specific emission factors but requires entities to use those that best reflect their activities and to disclose the emission factors used as part of explaining their measurement approach, inputs and assumptions (paragraph B29).</p> <p>Stakeholders may find it useful to consider non-authoritative supporting materials available on the AASB S2 Knowledge Hub. These include:</p> <ul style="list-style-type: none"><li>• AASB <a href="#">education material</a> about the requirements in AASB S2 related to the measurement and disclosure of GHG emissions;</li><li>• A link to the publicly available <a href="#">National Greenhouse Accounts (NGA) Factors</a>, updated and published annually by the Department of Climate Change, Energy, the Environment and Water; and</li><li>• FAQ: <a href="#">How should an entity determine which emission factors best represent the entity's activity as a basis for measuring its greenhouse gas (GHG) emissions?</a></li></ul>



Sub #	Topic	Stakeholder question	IAP meeting	AASB Staff Response
2	Interaction between the National Greenhouse and Energy Reporting (NGER) Scheme and jurisdictional relief	How does an entity that has obligations to report under NGER apply the jurisdictional relief in AASB S2.29(a)(ii)? For example, what should the entity do if it has Scope 1 emissions within its organisational boundary that aren't required to be measured under the NGER Measurement Determination? How should the entity apply the relief if it only needs to report at the facility level? What if the entity has a financial year-end that isn't 30 June—how does that affect applying the relief?	Nov. 2025	<p>The organisational boundary affects which operations' direct GHG emissions are included in the measurement of a reporting entity's Scope 1 GHG emissions, and how GHG emissions of the reporting entity are classified between scopes.</p> <p>AASB S2 permits an entity to use a GHG emissions measurement method other than the GHG Protocol if required by a jurisdictional authority or exchange, for as long as that requirement remains applicable (paragraph B24). This jurisdictional relief is intended to avoid duplicative reporting where an entity would otherwise need to apply both the GHG Protocol and another GHG emissions measurement method (paragraph BC88 IFRS S2).</p> <p>The ED SR2 Amendments to Greenhouse Gas Emissions Disclosures propose amendments to AASB S2 to clarify that the jurisdictional relief may be applied when an entity is required, in whole or in part, by a jurisdictional authority or exchange to use a GHG emissions measurement method other than the GHG Protocol. This Exposure Draft responds to application challenges identified by stakeholders globally and aims to help clarify the jurisdictional relief.</p> <p>Stakeholders may find it useful to consider non-authoritative supporting materials available on the AASB S2 Knowledge Hub. These include:</p> <ul style="list-style-type: none"><li>• AASB <a href="#">education material</a> about the requirements in AASB S2 related to the measurement and disclosure of GHG emissions; and</li><li>• FAQ: <a href="#">Is there jurisdictional relief available for the determination of which GHG emissions are included in the measurement of a reporting entity's emissions?</a></li></ul>



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3	Climate scenario temperature outcomes	Would a low emissions scenario of SSP1-2.6/ RCP2.6, meet the requirements in the Corporations Act 2001 (Cth)?	Nov. 2025	<p>This question relates to requirements in the Corporations Act 2001 (Cth) and is therefore outside the remit of the IAP.</p> <p>Stakeholders may find it useful to consider the following FAQ available on the AASB S2 Knowledge Hub:</p> <ul style="list-style-type: none"><li>• <a href="#"><u>What scenarios do I need to use when conducting climate-related scenario analysis under AASB S2?</u></a></li></ul>
4	Financial products and materiality	Does AASB S2 require disclosures relating to Repurchasing Agreements, Reverse-Repurchasing Agreements and Options Contracts if information about these financial products is not material?	Nov. 2025	<p>AASB S2 requires an entity to provide information to enable users of general purpose financial reports to understand the effects of climate-related risks and opportunities on the entity's prospects, if it is material. This is the case even if that information is not specified by AASB S2. Conversely, an entity need not disclose information that is required by AASB S2 if that information is not material (paragraphs B25—B26 in Appendix D).</p> <p>Stakeholders may find it useful to consider the following FAQ available on the AASB S2 Knowledge Hub:</p> <ul style="list-style-type: none"><li>• <a href="#"><u>How does AASB S2 approach materiality?</u></a></li></ul> <p>The AASB is in the process of developing further guidance on materiality. This will be available on the AASB S2 Knowledge Hub in due course.</p>



Sub #	Topic	Stakeholder question	IAP meeting	AASB Staff Response
5	Power Purchase Agreements' interaction with AASB S2	How should information about Power Purchase Agreements (PPAs) that are matched with Large-scale Generation Certificates (LGCs) be considered under AASB S2?	Nov. 2025	<p>The relevance of PPAs and LGCs to the requirements in AASB S2 will depend on an entity's facts and circumstances.</p> <p>Stakeholders may find it helpful to consider the requirements in AASB S2 related to the disclosure of location-based Scope 2 GHG emissions and the need to provide information about any contractual instruments that inform users' understanding of those GHG emissions (paragraph 29(a)(v)). Stakeholders may also find it helpful to consider requirements related to climate-related targets (paragraphs 33-36 and B30-31).</p>
6	NGER and the definition of targets	Are the baselines defined under the NGER Safeguard Mechanism "targets an entity is required to meet by law or regulation" in the context of AASB S2?	Nov. 2025	<p>The objective of metrics and targets in AASB S2 is to help users of general purpose financial reports understand how an entity is performing in relation to its climate-related risks and opportunities. This includes understanding the entity's progress towards any climate-related targets it has set, as well as any targets it is required to meet by law or regulation (paragraph 27).</p> <p>Climate-related targets refer to any quantitative and qualitative targets that respond to climate-related risks or opportunities. Greenhouse gas emissions targets are one kind of climate-related target, which may help to provide users with information about the timing and pathway of the entity's plans to reduce its emissions in anticipation of a lower-carbon economy (paragraph BC51 IFRS S2).</p> <p>Stakeholders may find it useful to consider the following FAQ available on the AASB S2 Knowledge Hub:</p> <ul style="list-style-type: none"><li>• <a href="#">What are climate-related targets under AASB S2?</a></li></ul>