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| Project: | AASB S2: Implementation support and awareness raising | Meeting | AASB October 2025 (M215) |
| Topic: | Update on implementation support and awareness raising activities | Agenda Item: | 8.1 |
| | | Date: | 16 September 2025 |
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| | | Decision-Making: | N/A |
| | | Project Status: | Update |

Objective

- 1 The objective of this agenda item is to **inform** the Board on implementation support and awareness raising activities related to AASB S2 *Climate-related Disclosures* performed during April to September 2025.
- 2 This paper is for discussion purposes only. It **does not** seek any decisions from the Board.

Structure

- 3 This paper is structured as follows:
 - (a) [Section One](#): Background;
 - (b) [Section Two](#): Summary of awareness raising and targeted and tailored engagement activities; and
 - (c) [Section Three](#): Summary of monitoring implementation progress of entities.

Executive summary

- 4 From April to September 2025, AASB staff have undertaken a range of implementation support and awareness raising activities related to AASB S2. These include publishing detailed guidance materials, launching a dedicated Knowledge Hub, delivering technical training and presentations, establishing the Implementation Advisory Panel (IAP), and collaborating with the Australian Securities and Investments Commission (ASIC), the IFRS Foundation, and academic researchers to support capacity building and evidence gathering.

Section One: Background

- 5 At the May 2025 AASB meeting, the Board deliberated and approved a project plan on [AASB S2: Implementation support](#). The project plan divided implementation work into two areas of focus:
- (a) awareness raising and targeted and tailored engagement activities; and
 - (b) monitoring implementation progress of entities to help identify, understand (and, where appropriate, respond to) challenges arising from applying AASB S2.
- 6 The update presented in this paper is divided into the same two focus areas.

Section Two: Summary of awareness raising and targeted and tailored engagement activities

Development and publication of educational materials

- 7 Using IFRS Foundation materials as a baseline, and working closely with the IFRS Foundation, staff have published the following Guidance documents:¹
- (a) [Overview of Australian Sustainability Reporting Standards](#) (April 2025);
 - (i) This document provides an overview of both AASB S1 General Requirements for Disclosure of Sustainability-related Financial Information [voluntary] and AASB S2 Climate-related Disclosures.
 - (b) [Comparison between AASB S2 and TCFD Recommendations](#) (July 2025);
 - (i) This document compares AASB S2 Climate-related Disclosures with the TCFD Recommendations.
 - (c) [Greenhouse Gas Emissions Disclosure requirements](#) (August 2025);
 - (i) This document provides information about the requirements for an entity to disclose its GHG Emissions in accordance with AASB S2. This document is presented as a series of questions and answers, and includes questions about:
 - (A) the context and reasoning underlying GHG emissions-related requirements;
 - (B) the use of *The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004)* and *Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011)*; and
 - (C) specific aspects of the GHG emissions-related requirements.
 - (ii) The GHG emissions-related requirements in AASB S2 can be categorised into two distinct types, one related to measurement and the other related to disclosure. This document is organised in this manner because understanding which category a requirement belongs to is helpful context for understanding what is required.
 - (d) [Proportionality Mechanisms in AASB S2](#) (September 2025); and

1 Where documents have been adapted and/or modified by the Australian Accounting Standards Board, this has been done with the permission of the IFRS Foundation, and consequentially it remains the copyright of the IFRS Foundation.

- (i) This document provides information about the proportionality mechanisms contained within AASB S2.

Establishing and maintaining an AASB S2 Knowledge Hub

- 8 Staff established a new section of the AASB website dedicated to an [AASB S2 Knowledge Hub](#) in April 2025.² Since that time, staff have maintained the Knowledge Hub, including actions such as:
- (a) developed a new layout, intended to enhance user experience;
 - (b) developed and uploaded [AASB S2 Guidance materials](#) as outlined above in paragraph 7;
 - (c) provided links to [additional resources](#), such as those developed by ASIC and the Commonwealth Scientific and Industrial Research Organisation (CSIRO) that are intended to provide preparers and other stakeholders with a range of data tools and resources to support application of AASB S2; and
 - (d) developed and uploaded [General and Technical FAQs](#), which cover information about the mandatory climate-related disclosures regime in Australia, conceptual foundations of AASB S2, through to more specific queries entities have about the content of AASB S2.
- 9 Staff will continue adding resources to the Knowledge Hub on an ongoing basis.

Partnering with ASIC to develop educational materials

- 10 The AASB is partnering with ASIC to develop educational materials explaining the core concepts underlying sustainability reporting in the *Corporations Act 2001*. ASIC has published the following [update](#) on their website:

Educational materials to support sustainability reports

ASIC and the Australian Accounting Standards Board (AASB) are partnering with the University of Technology Sydney, and Sydney-based educational design agency Studio 3 Learning to develop educational materials explaining the core concepts underlying sustainability reporting in the Corporations Act. The materials will be aimed at Group 3 reporting entities that are required to prepare sustainability reports for the financial year commencing on or after 1 July 2027. It will also be of value to small and medium entities in the value chain of larger businesses and anyone who is new to sustainability reporting.

E-learning modules will make up the educational program, covering topics including climate-related physical risks and transitional risks, emissions accounting, scenario analysis, governance and risk management. We are aiming to make the materials available this year, and then ASIC will focus on conducting face-to-face sessions with the AASB and University of Technology Sydney in the format of workshops and roadshows during 2026.

Delivery of in-person training in partnership with the IFRS Foundation

- 11 In partnership with the IFRS Foundation, the AASB delivered a two-day in-person technical training workshop to support capacity building related to AASB S2. This was held in Sydney on 12 and 13 August and, at full capacity, was attended by over 100 preparers, users, advisors, assurance providers and public sector representatives. The workshop was presented by AASB

2 This includes a disclaimer considering the Knowledge Hub includes content owned by third parties.

staff in partnership with International Sustainability Standards Board (ISSB) Vice-Chair, Sue Lloyd and EY Associate Partner, Glenn Brady. It included the following content:

- (a) a deep dive on both IFRS S1 and S2 and AASB S2 (which contains paragraphs drawn from the voluntary Standard AASB S1 in its Appendix D), with clear signposting that only AASB S2 is mandatory in the Australian context,³ including:
 - (i) introduction to Standards;
 - (ii) scope and conceptual foundations;
 - (iii) core content of Standards;
 - (iv) general requirements and uncertainties, judgements and errors;
 - (b) an update from ASIC on their proposed monitoring and enforcement activities;
 - (c) a deep dive case study on scope 3 greenhouse gas emissions measurement and disclosures by Grant Thornton; and
 - (d) a jurisdictional roadmap panel with panellists from investor, professional membership and public sector perspectives.
- 12 Staff received strong positive feedback from attendees, highlighting several key areas of value:
- (a) interest in future workshops—attendees expressed enthusiasm for additional in-person, workshop-style training sessions;
 - (b) insights from standard-setters—participants appreciated hearing directly from the AASB and ISSB, particularly regarding the rationale behind disclosure requirements;
 - (c) peer-to-peer engagement—informal discussions among attendees were seen as highly beneficial for sharing practical experiences related to implementing AASB S2; and
 - (d) preference for in-person format—there was a clear preference for in-person events over online webinars, given the abundance of virtual content already available from third parties;
 - (e) desire for practical case studies—attendees expressed a preference for more case studies, particularly on strategy and scenario analysis, including the quantification of current and anticipated financial effects; and
 - (f) industry-specific workshops—participants suggested tailoring future sessions to specific industries to allow for more targeted and relevant discussions.
- 13 Staff will consider this feedback as part of planning for future events and workshops.

Attending meetings and speaking at events

- 14 Since April 2025, staff have delivered 14 presentations to a range of stakeholders, including:

3 The content provided references to relevant paragraphs within IFRS S1 and/or IFRS S2 and relevant paragraphs in AASB S2 that correspond to IFRS S1 and IFRS S2.

- (a) one-on-one and cross-government engagements—meetings with individual Government agencies/departments and cross-Government groups;
- (b) keynote and panel participation—a keynote address at the Finance Leaders Forum on potential futures for sustainability reporting, and a panel discussion at Accounting & Finance Association of Australia and New Zealand (AFAANZ) on the climate-related financial disclosure implementation journey and emerging challenges;
- (c) industry and professional body engagements—presentations and meetings with groups, including AFAANZ, CA ANZ, CPA Australia, the Victoria Department of Treasury and Finance; and
- (d) academic engagements—engagements with universities, particularly Western Sydney University and the University of Melbourne.

Section Three: Summary of monitoring implementation progress of entities

Establishment of the AASB S2 Implementation Advisory Panel (IAP)

- 15 Since the May Board meeting, staff have established the IAP.
- 16 The IAP aims to support the implementation of AASB S2 *Climate-related Disclosures*. It is for:
- (a) Australian stakeholders to submit implementation questions related to implementing AASB S2;
 - (b) identifying information to enable the AASB to determine what action may be needed to address issues in implementing AASB S2; and
 - (c) hearing from a range of Australian stakeholders to inform the AASB on matters being considered by the ISSB’s Transition Implementation Group on IFRS S1 and IFRS S2 (ISSB TIG) that are relevant to AASB S2 (including Appendix D of AASB S2).
- 17 The establishment of the IAP has included:
- (a) appointing 15 individual [IAP members](#) to a 12-month term, beginning on 30 May 2025;
 - (b) developing criteria for assessing submissions made to the IAP; and
 - (c) arranging, preparing for and facilitating IAP meetings, as described below.

IAP Meeting #1

- 18 On 30 May 2025, AASB staff hosted the inaugural IAP meeting in-person in Melbourne.
- 19 In addition to the IAP members, guest representatives from key domestic and international organisations were invited to attend and present:
- (a) Treasury—provided insights into the policy settings underpinning Australia’s mandatory climate-related financial disclosure regime;
 - (b) ASIC—shared updates on its planned enforcement activities; and
 - (c) ISSB—observed the importance of the IAP’s role in supporting the implementation of AASB S2 in Australia and noted its complementarity with the ISSB TIG.

- 20 IAP members engaged in a discussion on experiences relating to implementing AASB S2. A [summary of the meeting and key discussion points](#) is available on the AASB website.

IAP Meeting #2

- 21 On 11 September 2025, staff hosted the second meeting of the IAP. This was a virtual meeting.
- 22 This meeting focused primarily on how the AASB can best support those preparers with more general implementation questions that may not meet the IAP criteria, through appropriate guidance or similar approaches. The first submission received by the IAP, which staff assessed against the publicly available [criteria](#), did not meet the criteria.⁴ A verbal update will be provided at the meeting.
- 23 The third IAP meeting will be held in November 2025.

Engaging directly with stakeholders in the context of providing feedback to the ISSB on ED SR2 Amendments to Greenhouse Gas Emissions Disclosures

- 24 Following the publication of [AASB ED SR2 Amendments to Greenhouse Gas Emissions Disclosures](#) (ED SR2), staff have engaged in outreach with stakeholders across Australia. This has included:
- (a) 15 comment letters received;
 - (b) 9 survey responses received; and
 - (c) 6 roundtables or bilateral discussions.
- 25 This feedback informed the AASB comment letter on ED SR2. See further details on the next steps relating to ED SR2 in agenda item 9.1.

Facilitating Board discussions with practitioners to better understand the implementation progress of Australian entities

- 26 Staff continue to investigate opportunities to arrange direct practitioner-focused sessions with the Board.

Engaging researchers to obtain evidence on the implementation progress of Australian entities

- 27 The AASB, AUASB and CA ANZ published an independent [research report](#) on climate-related disclosures and assurance in the 2023 and 2024 annual reports of ASX-listed entities, intended to help inform preparedness of Australian entities.
- 28 The AASB research team are hosting the Sustainability Research Forum on 18 November. Focused on sustainability reporting, this forum will highlight topical research as well as bring together presenters speaking on current developments, implementation challenges and opportunities in the evolving sustainability landscape.

Question to the Board (for discussion):

Do Board members have any questions or comments about the update presented in this paper?

4 The submission did not relate to the implementation of an Australian-specific requirement in AASB S2 or the Australian-specific implementation of a paragraph in AASB S2 that is aligned with IFRS S2.