30 September 2024 Sustainability Reporting Update

International Sustainability Reporting Bulletin 2024/08

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CONTENTS

BACKGROUND

This publication provides a 'snapshot' of sustainability reporting developments with a focus on the updates related to the International Sustainability Standards Board's (ISSB™) International Financial Reporting Standards (IFRS®) Sustainability Disclosure Standards - IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* (IFRS S1) and IFRS S2 *Climate-related Disclosures* (IFRS S2) - issued on 26 June 2023 and the European Sustainability Reporting Standards (ESRS) adopted by the European Commission (EC) on 31 July 2023 as well as other organisations.

BDO issues periodic ISR Bulletins as sustainability standards are evolving quickly.

BDO also issues a separate publication on jurisdictional updates on sustainability reporting developments for select jurisdictions.

Although it is comprehensive, this summary is not exhaustive and does not include all standard setting activities of the ISSB and other organisations.

EXECUTIVE SUMMARY

The Global Reporting Initiative (GRI) and the Taskforce on Nature-related Financial Disclosures (TNFD) have released a guidance document and a mapping table showing where the TNFD recommendations and GRI standards are aligned.

The World Bank and IFRS Foundation's partnership to support adoption of ISSB standards.

IFRS Foundation released a guide for voluntary application of the ISSB standards.

The European Securities and Markets Authority (ESMA) has released a publication titled 'Clearing the Smog: Accounting for Carbon Allowances in Financial Statements'.

European Financial Reporting Advisory Group (EFRAG) and the Taskforce on Inequality and Social-related Financial Disclosures (TISFD) have announced signing Co-operation Agreement to advance social-related financial disclosures.

TISFD releases a summary of the feedback received regarding its proposed scope, mandate, governance structure, and materiality approach.

In September 2024, the California Governor signed into law the final amendments to SB 253 and SB 261, obligating companies that do business in the state to disclose their value chain emissions and report on climate-related financial risks.

Major events in Sustainability Reporting During Q3 2024

GRI and TNFD release interoperability mapping resource

The GRI and the TNFD have released a guidance document and a mapping table showing where the TNFD recommendations and GRI standards are aligned. The document underlines a high degree of alignment between the two frameworks which is supported by the following:

- Both frameworks have consistent nature-related concepts and definitions;
- Incorporation of GRI's impact-focused materiality concept in the TNFD recommendations and guidance;
- All disclosures of GRI 101: Biodiversity 2024 are part of the TNFD recommendations;
- All disclosures in the TNFD recommendations are reflected in GRI 101, except for those that exclusively cover nature-related risk and opportunity identification and assessment;
- TNFD core global disclosure metrics and related metrics in the GRI standards have strong consistency;
- The TNFD LEAP (locate - assess - evaluate - prepare) approach is referenced in GRI 101;
- GRI 101 applies the TNFD definitions and criteria when considering an entity's location in or near ecologically sensitive areas.

Cooperation Agreement to advance social-related financial disclosures

EFRAG and the TISFD Secretariat have signed a cooperation agreement with the purpose of advancing the development and adoption of social-related financial disclosures. By aligning efforts, EFRAG and TISFD plan to work together to support market readiness as well as to scale implementation of inequality and social-related financial disclosures using each organisation's unique expertise in sustainability and corporate reporting.

The main objectives of the agreement include:

- Technical alignment to ensure consistency between EFRAG's ESRS and TISFD's global framework;
- Implementation support to co-develop webinars, guidance materials, and tools to assist companies in disclosing inequality and social-related data;
- Joint communications to ensure joint messaging that aligns with their shared mission, while maintaining their independence.

TISFD releases a summary of the feedback received

TISFD published a summary of feedback on its proposed scope, mandate, governance structure, and materiality approach in September 2024.

Respondents suggested collaboration with the ISSB and other standard setters instead of creating a separate framework. While there was consensus on the need for TISFD, some questioned the necessity of an additional disclosure framework. The taskforce aims to launch its global framework for inequality and social-related disclosures.

IAASB Approves ISSA 5000

The International Auditing and Assurance Standards Board (IAASB) approved the International Standard on Sustainability Assurance ("ISSA") 5000 '*General Requirements for Sustainability Assurance Engagements*' on 20 September 2024. Formal publication is expected by the end of the year 2024. A range of guidance and application materials is planned for January 2025.

More information is available here.

Statement on Accounting for Carbon Allowances from ESMA

The ESMA has released a publication titled '*Clearing the Smog: Accounting for Carbon Allowances in Financial Statements*'. This statement aims to enhance financial reporting for issuers involved in carbon allowance programs. It reviews the various accounting approaches observed in the financial statements of European listed issuers concerning carbon pricing programs. ESMA encourages issuers to consider which IFRS Accounting Standards could be applied to account for carbon allowances in their financial reporting.

Additionally, it provides disclosure recommendations to improve decision usefulness for users by promoting transparency of the information included in the financial statements regarding carbon pricing programs.

The statement also addresses connectivity and the need for consistency between the assumptions used in estimations and measurements related to climate matters and the information presented across different sections of the annual financial report. It emphasises the need for issuers to carefully and consistently connect the information provided about carbon allowances in the financial statements with the disclosures required under the ESRS.

IOSCO Chair discusses adoption of ISSB standards

Jean-Paul Servais, the Chair of the Board of the International Organization of Securities Commissions (IOSCO), recently delivered a speech addressing the global adoption of ISSB standards.

In his remarks, Servais emphasised that IOSCO is now concentrating on offering technical assistance and guidance to help regulators understand how to integrate the ISSB standards into their frameworks with appropriate alignment. He believes this is crucial for reducing fragmentation.

The IFRS Sustainability Knowledge Hub now hosts the disclosure-specific materials created by the TPT

The Transition Plan Taskforce (TPT) has transferred its disclosure-related materials to the IFRS Foundation, now hosted on the IFRS Sustainability Knowledge Hub. This is the first step towards integrating TPT's work into international sustainability reporting standards. In June, the ISSB announced plans to streamline frameworks for transition plan disclosures. The IFRS Foundation outlined a three-step process:

- Assuming responsibility for TPT's materials,
- Developing educational resources that align with IFRS S2, and
- Considering enhancements to the application guidance for IFRS S2 over time.

Step one is now complete, and materials are available on the IFRS Sustainability Knowledge Hub.

Links to TPT materials are available here.

CEAOB issued guidelines on limited assurance on sustainability reporting

The Committee of European Auditing Oversight Bodies (CEAOB) has released guidelines on limited assurance for sustainability reporting. These guidelines aim to provide high-level assistance to foster a common understanding of key aspects of the limited assurance engagement requirements introduced by the Corporate Sustainability Reporting Directive (CSRD).

IFRS FOUNDATION DEVELOPMENTS

The ISSB July 2024 podcast on latest developments

The podcast hosted by ISSB Chair Emmanuel Faber and ISSB Vice-Chair Sue Lloyd covers the following topics:

- The publication of the ISSB's feedback statement on its next two-year work plan;
- Developments in strategic relationships that deliver further harmonisation of the sustainability disclosure landscape.

The ISSB September 2024 podcast on latest developments

The podcast is hosted by ISSB Chair Emmanuel Faber and ISSB Vice-Chair Sue Lloyd and is focused on the latest developments from the ISSB.

The podcast covers the following main topics:

- Key takeaways from the ISSB webinar on industry-based disclosures,
- External engagements in Australia, Brazil, New Zealand and across Europe, and
- An update on the progress of the adoption of ISSB standards.

The ISSB webcast on its two-year work plan

The ISSB discusses its two-year work plan in the webcast and covers recent developments in strategic relationships to help with harmonisation of the sustainability reporting landscape. Specifically, ISSB Vice-Chair Sue Lloyd and ISSB member Michael Jantzi discuss the following topics set out in the ISSB's two-year work plan:

- Supporting implementation of IFRS S1 and IFRS S2;
- Enhancing the Sustainability Accounting Standards Board (SASB) standards;
- Beginning new research and standard-setting projects about risks and opportunities related to biodiversity, ecosystems and ecosystem services, and human capital;
- Reserving capacity to address emerging issues;
- Pursuing activities on:
  - Interoperability with other standard-setting initiatives;
  - Connectivity with the International Accounting Standards Board;
  - Stakeholder engagement.

The webcast also includes discussion of the recent developments in the ISSB's strategic relationships with different organisations and initiatives.

IFRS Foundation's guide for voluntary application of the ISSB standards

The IFRS Foundation has released a '*Voluntarily applying ISSB Standards—A guide for preparers*' to support entities that voluntarily apply the ISSB standards. This guide, released in response to investor demands, aims to help entities communicate their progress as they begin to apply IFRS S1 and IFRS S2. It includes transition reliefs and proportionality mechanisms to aid implementation. The guide is particularly useful for companies in jurisdictions without regulatory requirements, offering guidance on describing their application of these standards. It was published during New York Climate Week to support companies in meeting investor demand for globally comparable information.

More resources and information are available here.

World Bank and IFRS Foundation's partnership to support adoption of ISSB standards

The World Bank Group and the IFRS Foundation plan to expand the coverage of their existing memorandums of understanding to support the adoption of ISSB standards in emerging markets and developing economies. This will be done with due focus on proportionality. The World Bank has also announced that it will look into aligning its climate and sustainability-related financial disclosures with the ISSB standards, taking into account the unique business models of its International Bank for Reconstruction and Development and its International Development Association.

IFRS Sustainability webinar series with focus on Pan-African context

The IFRS Foundation announced release of its fourth episode of the IFRS Sustainability webinar series, '*Perspectives on Sustainability Disclosure*'. It took place on 17 October 2024 and focused on the Pan-African approach to sustainability disclosure. The aim of the session is to explore how countries like Ghana, Nigeria, and Tanzania are moving towards the adoption of the ISSB Standards.

The episode also covers the main drivers behind the adoption of these standards in emerging markets and developing economies, together with the capacity-building efforts required for their successful implementation.

IFRS Foundation Projects and Work Plan

PROJECT	SUMMARY	MORE INFORMATION
IFRS Sustainability Disclosure Taxonomy	The ISSB has released the IFRS Sustainability Disclosure Taxonomy (SASB Standards Taxonomy) to reflect disclosure requirements arising from IFRS S1, IFRS S2 and their accompanying guidance. The SASB Standards Taxonomy allows companies to consistently tag information prepared using SASB Standards. In October 2024, the ISSB released updates to the SASB Standards Taxonomy to incorporate disclosure requirements from recent amendments to the SASB Standards. Specifically, these updates include the consequential amendments related to the issuance of IFRS S2 in June 2023, and the amendments from the ISSB's International Applicability of the SASB Standards project in December 2023.	IASB project page Presentation slides from the webcast IASB project page on 'SASB Standards Taxonomy—2024 Updates' IFRS Sustainability Disclosure Taxonomy Resources
Enhancements to the SASB Standards	The ISSB is currently developing exposure drafts for proposed amendments to a set of SASB Standards that have been prioritised as part of its work plan. The ISSB is also considering targeted amendments to other SASB Standards to ensure consistent measurement of common topics across various industries. Additionally, the ISSB is researching further enhancements to the SASB Standards and the Sustainable Industry Classification System, which could be prioritised in the next phase of their work. During the ISSB meeting on 24-25 July 2024 in Montreal, Canada, one of topics discussed was maintenance of the SASB standards. The ISSB decisions was to use a phased approach and to start preparing exposure drafts of enhancements to all eight SASB standards in the extractives and minerals processing sector, the electric utilities and power generators SASB standard in the infrastructure sector and given the ISSB and its stakeholders has the capacity, three SASB standards in the food and beverage sector. The ISSB will further consider making targeted amendments to other SASB standards to make sure measurement of common topics stays consistent among industries, where appropriate. In addition, the ISSB decided to research priorities for the second phase of the project and how to enhance the Sustainable Industry Classification System. One of the topics during the ISSB meeting on 18 September 2024 in Frankfurt, Germany was a deep dive into SASB standards for priority industries. During the SSAF meeting on 21-22 October 2024, the ISSB technical staff provided update to SSAF members regarding future enhancements to the SASB Standards. Specifically, the ISSB technical staff was interested in the SSAF support to ensure the international applicability of the SASB Standards as part of the enhancement work. Currently, the expected completion date for this project is Q1 2025.	IASB project page Mapping sector work

PROJECT	SUMMARY	MORE INFORMATION
Biodiversity, ecosystems and ecosystem services and Human Capital	As part of its 2024-2026 work plan, the ISSB plans to research risks and opportunities linked to sustainability topics other than climate for entities to meet the information needs of investors. The research projects are aimed to indicate whether the ISSB should pursue standard-setting for disclosure requirements on some or all of these topics. During the ISSB meeting on 24-25 July 2024 in Montreal, Canada, one of the topics discussed was the work plan in relation to embedding interoperability in the ISSB's ongoing activities as well as in relation to the design and approach for the new research projects on biodiversity, ecosystems and ecosystem services, and human capital. On 18 September 2024, the ISSB held a meeting to discuss the SASB Standards which are applicable to the risks and opportunities associated with biodiversity, ecosystems and ecosystem services and human capital. In October 2024, the SSAF meeting was held, the purpose of which was to provide SSAF members with an overview of the responses received on the jurisdictional survey conducted to inform the ISSB's research on Biodiversity, ecosystems and ecosystem services and Human Capital. On 24 October 2024, the ISSB staff held a meeting to provide the ISSB with an overview of the feedback received from the jurisdictional survey on the ISSB's research projects on biodiversity, ecosystems and ecosystems services (BEES) and human capital. Currently, the expected completion date for these projects is H1 2025.	IASB project page on Human Capital IASB project page on biodiversity, ecosystems and ecosystem services (BEES)

EFRAG

Revised LSME Workshop for users and investors

The European Sustainability Reporting Standards for Listed Small and Medium-sized Enterprises (ESRS LSME) exposure draft has successfully moved from the public consultation phase and field test to the deliberation stage, where it is now being reviewed and evaluated by the Single Resolution Board (SRB) and Sustainability Reporting Technical Expert Group (SR TEG) to determine the next steps and final approval of the standard for SMEs which are public-interest entities. The standard is expected to be applicable from 2026 with an additional 2-year opt out and will be issued as a delegated act.

With a view to avoid any undue loss of information for users and investors, EFRAG Secretariat conducted an online workshop in the first half of September 2024 with investors and potential users of ESRS LSME sustainability statements to discuss the revised ESRS LSME and whether it still meets the needs of investors, which was a key objective of this standard in the provision of the CSRD.

US SEC AND STATE LEGISLATION

Voluntary Carbon Offsets and 'Net Zero' Claims

A new California law, AB-1305 *Voluntary Carbon Market Disclosures*, requires public and private companies that market or sell voluntary carbon offsets in the state to disclose numerous details about the projects generating the credits — including location, timeline, and whether there is third- party validation. The law also mandates disclosures for certain companies that make "net zero" or similar claims and for certain companies that purchase or use voluntary carbon offsets and make "net zero" or similar claims. Companies must publish disclosures on their websites on an annual basis. Non-compliance penalties are $2,500 per day for each violation up to $500,000. The first report is due on 1 January 2025.

The proposed amendment to AB 1305, AB-2331 *Voluntary carbon market disclosures*, would exclude 'renewable energy certificate' (REC) from the definition of "voluntary carbon offset". The implementation date for AB-2331 would be delayed to July 2025. The deadline for the California legislature to pass laws was 30 September 2024, however, since the proposed amendment bill was not signed by this deadline, the original law, AB 1305, remains in place.

California Climate Legislation

In a bid to increase transparency and encourage standardised climate-related disclosure, the two state senate bills signed into California Law require certain public and private US entities, including foreign entities with US-based subsidiaries doing business in California, to provide quantitative and qualitative climate disclosures:

- GHG emissions law. SB-253, *the Climate Corporate Data Accountability Act*, mandates the disclosure of GHG emissions
- Climate risks law. SB-261, *the Climate-Related Financial Risk Act*, mandates the disclosure of climate-related financial risks and measures adopted to reduce and adapt to such risks.

In September 2024, the laws were amended slightly. Reporting still begins in 2026; however, the deadline for the CARB) to develop and adopt emissions reporting requirements was pushed back from January to July 2025. This further compresses the timeline for companies to prepare reports, making planning ahead even more crucial. Companies will be forced to begin tracking emissions beginning in 2025, while CARB's regulations would not be adopted until months later.

The amendments allow for emissions reporting to be consolidated at the parent company level, and they remove a deadline for Scope 3 emissions to be reported within 180 days of Scope 1 and 2 data. In addition to the recent updates, California's requirements are being challenged in federal court.

Current requirements of SB-253 and SB-261 are summarised below.

EMISSIONS REPORTING (SB 253)	
Applies To[1,2]	Public and private U.S. companies with total annual revenues > $1 billion and that do business in California
Disclosure Highlights	Report Scope 1, 2 and 3 emissions data Calculate data in accordance with the Greenhouse Gas Protocol standards and guidance Obtain independent third-party assurance of all emissions data
Reporting Frequency	Annual
Disclosure Process	Companies must submit data to an emissions reporting organization to be contracted by the state board
Non-compliance Penalties	Up to $500,000

	SCOPE 1 REPORTING	SCOPE 2 REPORTING	SCOPE 3 REPORTING
First Report Due	2026[3] (2025 Data)	2026[3] (2025 Data)	2027[4] (2026 Data)
Assurance Effective Date	Limited: 2026 (2025 Data) Reasonable: 2030 (2029 Data)	Limited: 2026 (2025 Data) Reasonable: 2030 (2029 Data)	Limited[5]: 2030 (2029 Data)

CLIMATE-RELATED FINANCIAL RISK REPORTING (SB 261)	
Applies To[2,6]	Public and private U.S. companies with total annual revenues > $500 million and that do business in California
Disclosure Highlights	Climate-related financial risk reports that: Align with the Task Force on Climate-related Financial Disclosures (TCFD) framework or equivalent reporting under another law, regulation, listing requirement or standard Include companies' measures to mitigate and adapt to the disclosed risks Identify disclosure gaps or omissions and outline efforts for more complete future disclosures
Reporting Frequency	Every two years
Disclosure Process	Companies must publish reports on their websites
Non-compliance Penalties	Up to $50,000
First Report Due	1 January 2026

[1] The law defines a reporting entity as a partnership, corporation, limited liability company or other business entity formed under the laws of California, the laws of any other U.S. state or the District of Columbia, or under an act of U.S. Congress, with total annual revenues of more than $1 billion and that does business in California.

[2] The laws do not clarify what it means to 'do business' in California. This will be established by CARB as it develops regulations to carry out the laws. Criteria could potentially align with amounts set by the California Franchise Tax Board.

[3] CARB will determine an exact date. Reporting period covers previous fiscal year.

[4] Beginning in 2027 and annually thereafter, on a schedule specified by CARB. Reporting period covers previous fiscal year.

[5] CARB may establish an assurance requirement for third-party assurance engagements of Scope 3 by 1 January 2027.

[6] The law defines a covered entity as a corporation, partnership, limited liability company or other business entity formed under the laws of California, the laws of any other U.S. state or the District of Columbia, or under an act of U.S. Congress, with total annual revenues of more than $500 million and that does business in California. Insurance entities are excluded due to TCFD reporting requirements through the National Association of Insurance Commissioners.

SEC Climate disclosure rules

In the US, the SEC is steadfast in defending its Climate Disclosure rule in the Eighth Circuit Court of Appeals, asserting that it falls within their regulatory authority. The outcome of this case is highly anticipated, especially in light of the Supreme Court's recent decision to reverse Chevron deference, which limits the power of federal agencies to enforce ESG regulations. If the climate rules withstand litigation, the SEC plans to announce a new implementation date and phase-in period for these rules once the stay is lifted.

The SEC recently disbanded their Enforcement Division's ('Division') Climate & ESG Task Force which was established in March 2021 to proactively identify ESG-related misconduct. The SEC claims that the expertise developed by the task force now resides across the Division. This move signals a gradual retreat from its ESG agenda amid growing scrutiny and lawsuits from a conservative-led backlash. ESG has been removed from the SEC's list of 2024 policy priorities, after being a priority from 2020 to 2023, and the SEC Chair's ESG proposals have stalled as the election and possibly the end of the Chair's tenure draws near.

While the implementation of the SEC Climate Rules remains unknown, companies may be required to comply with other regulations, including the CA Climate Corporate Data Accountability Act or the EU's CSRD.

The following is a summary of the final rules:

QUANTITATIVE DISCLOSURES WITHIN THE FINANCIAL STATEMENTS	
Expenditure metrics	▶ Expenses, losses, and capitalised amounts incurred as a result of severe weather events and other natural conditions to be separately disclosed, unless the aggregate impact is <1% of the absolute value of income or loss before income tax expense or benefit for expenses and losses or stockholders' equity or deficit for capitalised amounts for that fiscal year and de minimis.
	▶ Expenses, losses, and capitalised amounts directly related to carbon offsets and renewable energy credits or certificates (RECs) if used as a material component to achieve climate-related targets or goals.

QUANTITATIVE DISCLOSURES OUTSIDE THE FINANCIAL STATEMENTS	
Scope 1 and Scope 2 GHG emissions	▶ Material direct GHG emissions (Scope 1) and indirect GHG emissions from purchased electricity and other forms of energy (Scope 2), to be separately disclosed by LAF and AF that are not otherwise exempted.
Expenditure metrics	▶ Material expenses directly related to climate-related activities as part of a strategy, transition plan and/or targets and goals.

QUANTITATIVE DISCLOSURES
▶ Climate-related risks identified that have had or are reasonably likely to have a material impact on the strategy, results of operations, or financial condition in the short-term (i.e. the next 12 months) and in the long-term (i.e. beyond the next 12 months).
▶ Activities to mitigate or adapt to a material climate-related risk, and a description of direct material expenditures incurred and material impacts on financial estimates and assumptions.
▶ Whether the estimates and assumptions used in the financial statements were materially impacted by exposures to risks and uncertainties associated with, or known impacts from, severe weather events and other natural conditions such as hurricanes, tornadoes, flooding, drought, wildfires, extreme temperatures, and sea level rise, or any climate-related targets or transition plans disclosed by the registrant. If so, how the development of such estimates and assumptions were impacted by the events, conditions, and disclosed targets or transition plans identified above.
▶ Identified actual and potential material climate-related risks on the registrant's strategy, business model and outlook.
▶ Registrant's process to identify, assess and manage material climate-related risks and whether they are integrated into the registrant's overall risk management system or processes.
▶ Activities such as transition plans, scenario analysis, or internal carbon prices used to mitigate or adapt to a material climate-related risk.
▶ Climate-related targets or goals that have materially impacted or are reasonably likely to materially impact the business, results of operations, or financial condition.
▶ Oversight and governance of material climate-related risks by the registrant's board and management.

The final rules become effective 60 days after publication in the Federal Register and phase-in is as follows:

COMPLIANCE DATES UNDER THE FINAL RULES						
REGISTRANT TYPE	DISCLOSURE AND FINANCIAL STATEMENT EFFECTS AUDIT		GHG EMISSIONS/ASSURANCE			ELECTRONIC TAGGING
	All Reg. S-K and S-X disclosures, other than as noted in this table	Certain Items (Item 1502(d)(2), Item 1502(e)(2), and Item 1504(c)(2))	Scopes 1 and 2 GHG emissions	GHG emissions disclosures - Limited Assurance	GHG emissions disclosures - Reasonable Assurance	Inline XBRL tagging for subpart 1500
LAF	FYB 2025	FYB 2026	FYB 2026	FYB 2029	FYB 2033	FYB 2026
AFs (other than SRCs and EGCs)	FYB 2026	FYB 2027	FYB 2028	FYB 2031	N/A	FYB 2026
SRCs, EGCs, and NAFs	FYB 2027	FYB 2028	N/A	N/A	N/A	FYB 2027
'FYB' refers to any fiscal year beginning in the calendar year listed. 'NAF' refers to non-accelerated filer.						

TIMELINE FOR IMPLEMENTATION OF SUSTAINABILITY REPORTING

As currently proposed, set out below is a summary of the effective date of the various proposals:

PROPOSED REQUIREMENTS	2023	2024	2025	2026	2027	2028
IFRS Sustainability Disclosure Standards **		IFRS S1 and IFRS S2				
ESRS		Entities currently within the scope of the Non- Financial Reporting Directive (NFRD)	All other large entities	Listed SMEs (with opt- out option until 2028)		Non-EU companies with branches/ subsidiaries
US state legislation - California				SB-253 & SB-261		

**The ISSB issued IFRS Sustainability Disclosure Standards in June 2023. Local standard setters, regulators and governments will need to decide whether to endorse or otherwise require IFRS Sustainability Disclosure Standards for use in their own jurisdictions. Consequently, IFRS Sustainability Disclosure Standards could become effective in different reporting periods around the world. Given the proposed effective dates for other sustainability standards, it is not expected that jurisdictions will require the use of IFRS Sustainability Disclosure Standards until at least 2025.

SUSTAINABILITY REPORTING RESOURCES

International Sustainability Reporting Bulletin 2024/09 Q3 2024 Sustainability Reporting Jurisdictional Update

BDO has published *International Sustainability Reporting Bulletin 2024/09 Q3 2024 Sustainability Reporting Jurisdictional Update*. This publication provides a 'snapshot' of sustainability reporting developments for selected jurisdictions, including those being developed for use by entities in the EU and the US.

BDO published EU Reporting: Corporate Sustainability Reporting Directive – Summary of Scope and Requirements

2024 is the first year in which companies are required to report in accordance with the EU's CSRD, which replaces the NFRD. *EU Reporting: Corporate Sustainability Reporting Directive – Summary of Scope and Requirements* sets out an overview of key changes that have been introduced by the CSRD in comparison to the NFRD, together with a more detailed explanation of the very significantly expanded scope, the timing of adoption by different entities, and a high-level summary of what companies need to prepare for. It also includes an overview of the first batch of general sector-agnostic ESRS, and how (and the extent to which) the CSRD links these to IFRS Sustainability Disclosure Standards published by the ISSB at the IFRS Foundation.

BDO published Corporate Sustainability Reporting Directive ('CSRD' for Non-EU Companies)

Corporate Sustainability Reporting Directive ('CSRD' for Non-EU Companies) provides an executive summary of the CSRD, what is required by the CSRD, which non-EU entities are in scope of the CSRD and when as well as provides references to further resources available, making it a useful resource for those familiarising themselves with these new standards.

Sustainability At a Glance - IFRS Sustainability Disclosure Standards

IFRS S1 and S2 set a 'global baseline' for disclosure of sustainability-related financial information and are expected to be endorsed and/or adapted by many jurisdictions worldwide. *Sustainability At a Glance - IFRS Sustainability Disclosure Standards* summarises IFRS S1 and S2 into a few pages, making it a useful resource for those familiarising themselves with these new standards.

Sustainability At a Glance - European Sustainability Reporting Standards

BDO has published *Sustainability At a Glance - European Sustainability Reporting Standards (ESRS)*. *Sustainability At a Glance - European Sustainability Reporting Standards (ESRS)* has been compiled to assist in gaining a high-level overview of the ESRS and summarises the disclosure requirements of each topical ESRS including certain definitions.

Sustainability At a Glance – The Greenhouse Gas Protocol

Sustainability At a Glance – The Greenhouse Gas Protocol summarises measuring scope 1, 2 and 3 emissions into a few pages, making it a useful resource for those familiarising themselves with this protocol.

For further information and guidance on sustainability, please refer to BDO's Global Sustainability Reporting Micro-site.

For further information on the proposed SEC Climate Disclosure rule, please refer to BDO US's Sustainability and ESG site.

www.bdo.global

FOR MORE INFORMATION:

Sustainability Reporting Policy Committee