
Sustainability Standards Advisory Forum meeting

Date	February 2025
Project	Supporting implementation of IFRS S1 and IFRS S2
Topic	Update on educational material
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Purpose of this session

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- Provide an update on the educational material that have been published or are under development, including educational material on disclosures about transition plans, building on materials of the Transition Plan Taskforce (TPT) for which the IFRS Foundation has assumed responsibility

Questions for SSAF members

- Do you have any questions or comments on the educational material that have been published or is under development?
- Do you have any comments on the approach the ISSB is taking to develop educational material on disclosures about transition plans, building on TPT materials?

Educational material
already available



Educational material published in 2023

- Comparison of IFRS S2 with the TCFD recommendations (updated in November 2024)
- Nature and social aspects of climate-related risks and opportunities

Available here:
<https://www.ifrs.org/supporting-implementation/supporting-materials-for-ifrs-sustainability-disclosure-standards/>



Educational material published in 2024

- Interoperability considerations for GHG emissions when applying GRI Standards and ISSB Standards
- Using the SASB Standards to meet the requirements in IFRS S1
- How to apply the Integrated Reporting Framework with IFRS S1 and IFRS S2
- Current and anticipated financial effects
- Interoperability guidance: ISSB Standards and ESRS
- Sustainability-related risks and opportunities and the disclosure of material information

Available here:

<https://www.ifrs.org/supporting-implementation/supporting-materials-for-ifrs-sustainability-disclosure-standards/>



Recent educational material

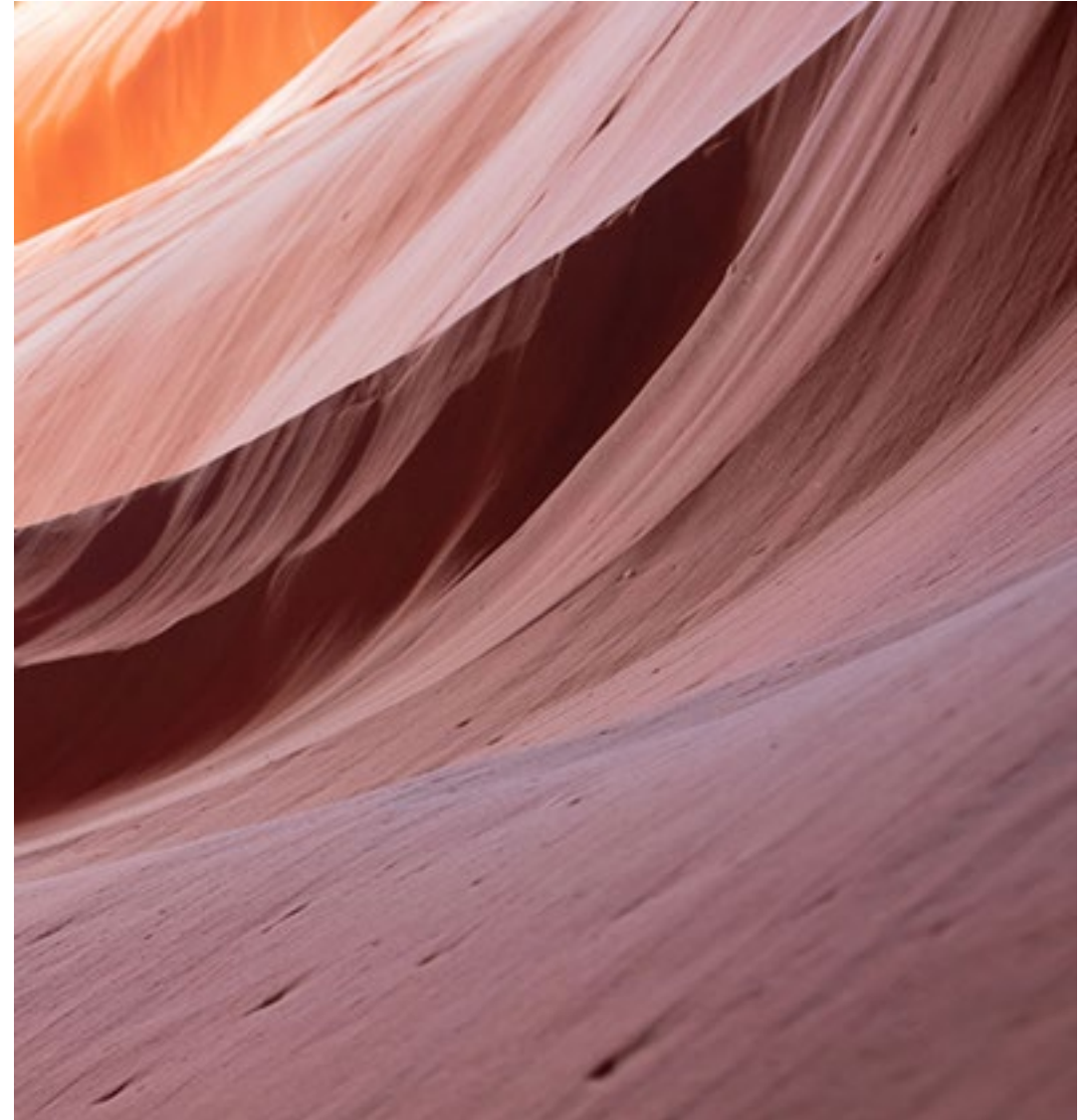
Material published in 2025:

- Proportionality mechanisms
- Applying IFRS S1 when reporting only climate-related disclosures in accordance with IFRS S2

Material in development:

- Climate-related scenario analysis
- Disclosures about transition plans

[Register for email alerts on ifrs.org](https://www.ifrs.org) to find out when new materials are published.



Educational material on disclosures about transition plans



What is a transition plan and what does IFRS S2 require?

IFRS S2 requires an entity to disclose the effects on the entity's **strategy and decision-making** of climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects, including:

- how the entity has responded to, and plans to respond to, climate-related risks and opportunities;
- how its business model is changing, or is expected to change;
- what direct or indirect adaptation or mitigation efforts it is undertaking or planning to undertake;
- any plan the entity has to transition towards a lower-carbon economy, including the key assumptions and dependencies on which the plan relies;
- how the entity plans to achieve its climate-related targets, including any GHG targets;
- how the entity is resourcing, or plans to resource, its response to climate-related risks and opportunities; and
- any progress against its previously reported plans.

(see paragraph 14 of IFRS S2)

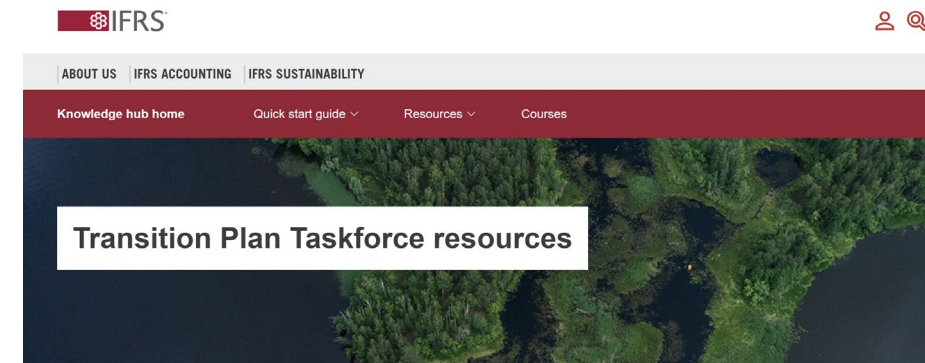
‘A climate-related transition plan is an aspect of an entity’s overall strategy that lays out the entity’s targets, actions or resources for its transition towards a lower-carbon economy, including actions such as reducing its greenhouse gas emissions.’

(Defined term in Appendix A of IFRS S2)

Harmonisation of disclosures about transition plans

- Responding to calls for more guidance and harmonisation of disclosures about transition plans, in June 2024 the [IFRS Foundation announced](#) assuming responsibility for the disclosure-specific materials developed by the TPT
- A [dedicated area](#) of the IFRS Sustainability [Knowledge Hub](#) houses the materials (13 documents)
- As a next step, the IFRS Foundation has committed to using these materials to develop educational materials

Globally, disclosures on an entity's plans ... to transition to a lower-carbon economy ... are a growing proportion of corporate climate-related disclosures. IFRS S2 requires that information be disclosed if an entity has such a plan. To support application of these disclosure requirements ... the ISSB plans to support work to streamline and consolidate frameworks and standards for disclosures about transition plans



Companies with transition plans are required to disclose information about them when applying IFRS S2. The IFRS Foundation is now responsible for the Transition Plan Taskforce's disclosure-specific materials that can help companies with these disclosures. These resources are available below.

This content was authored by the Transition Plan Taskforce. The IFRS Foundation is not responsible for its accuracy. Your use of the content is subject to the disclaimer.

Harmonisation of disclosures about transition plans – Next steps

Incorporate the TPT material into **IFRS Foundation educational material**

Monitor disclosure about transition plans

Consider if **more guidance** on disclosure about transition plans is needed

Over time, consider whether enhancements to IFRS S2 are needed, building on TPT material as relevant. Any changes would be subject to consultation.

Approach to incorporate the TPT material into IFRS Foundation educational material

Objective

Tailor the material:

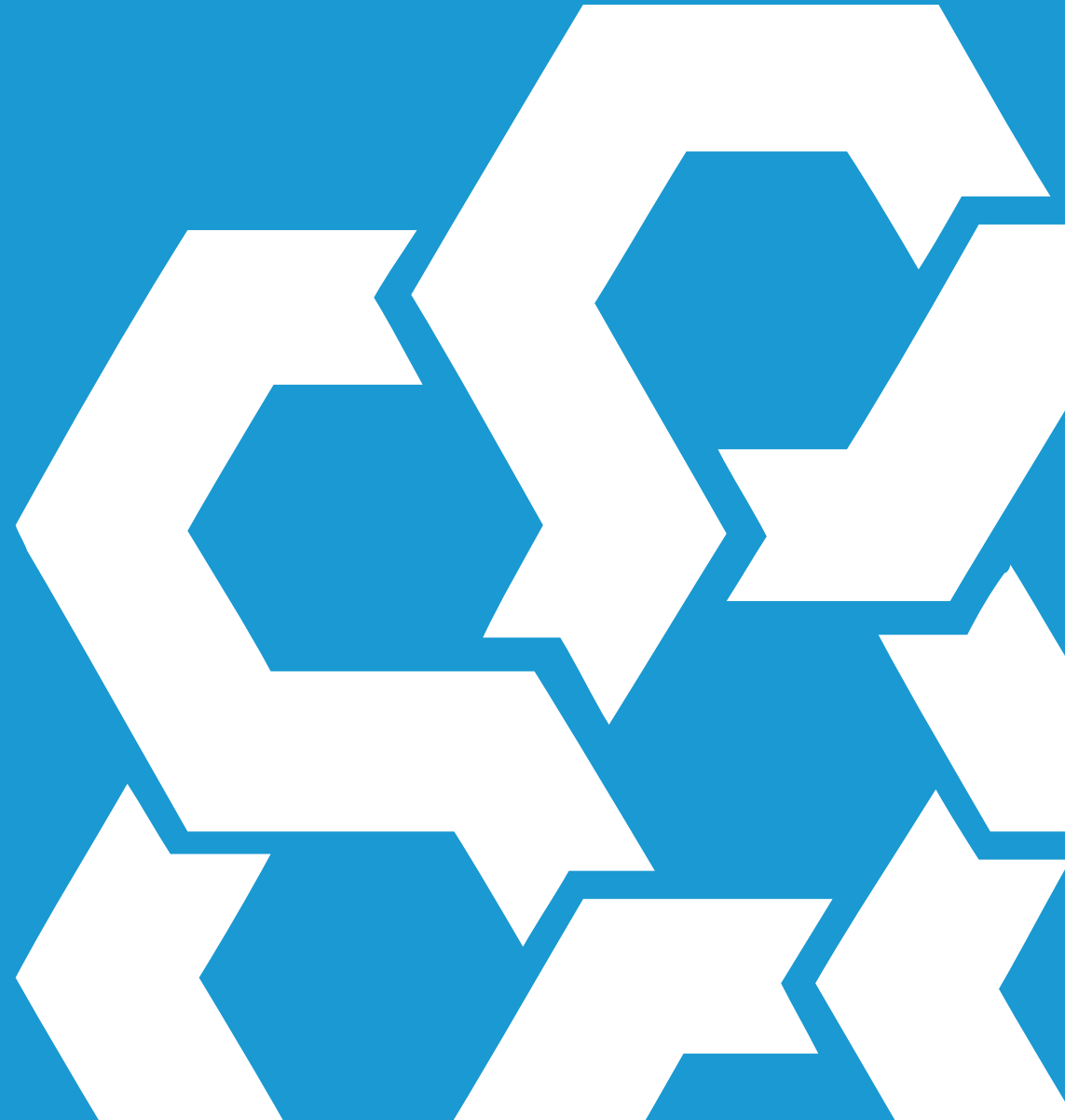
- to ensure global applicability; and
- to deliver full compatibility with the ISSB global baseline and IFRS S2's focus on disclosures of the climate-related risks and opportunities affecting an entity's prospects, to meet the needs of investors and the capital markets

Areas of focus of differences between TPT material and IFRS S2

- Normative statements beyond disclosure
- Policy-oriented or jurisdiction-specific statements
- Disclosure outside the ISSB's remit

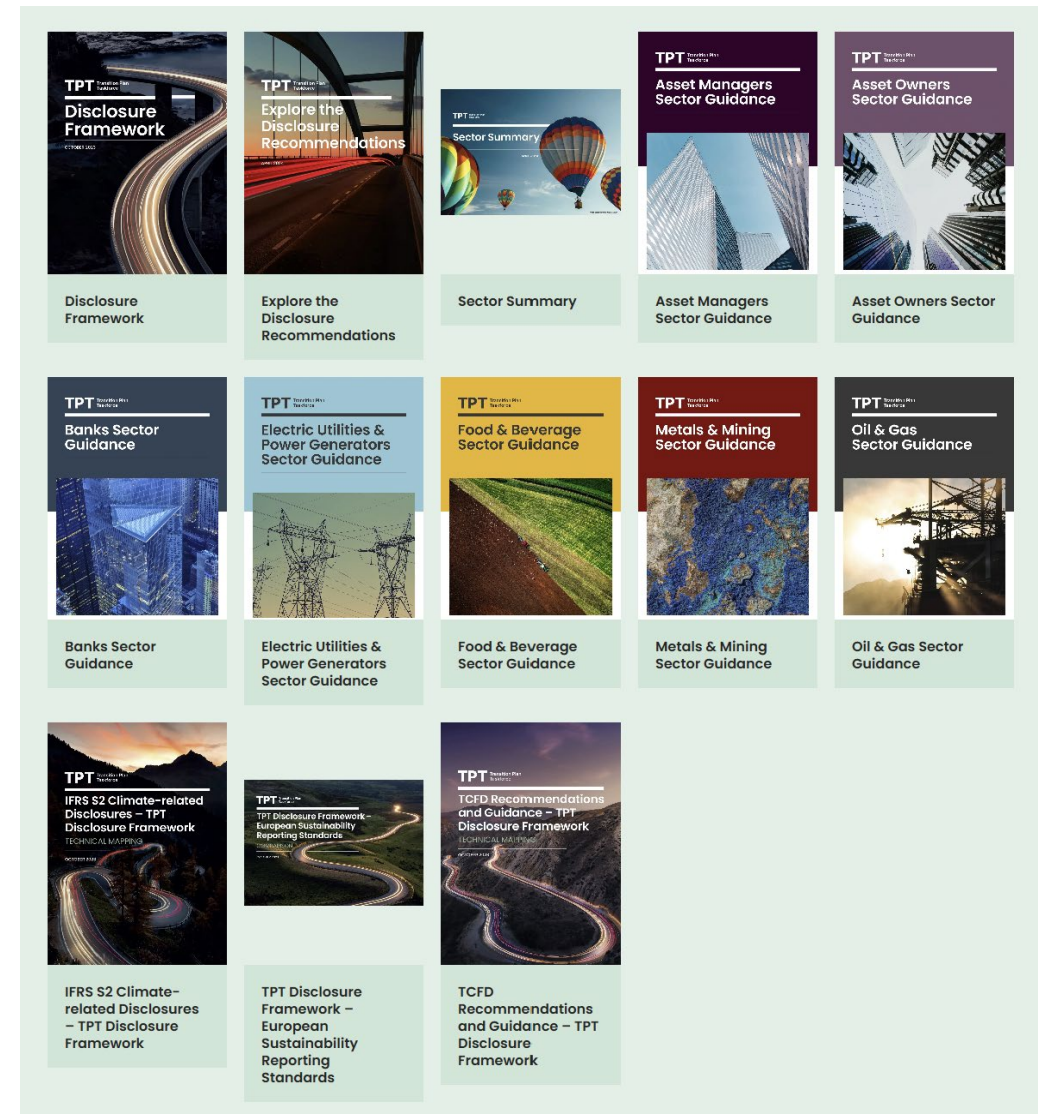
To obtain information from stakeholders to inform the work to tailor the TPT material, the IFRS Foundation has announced it will hold a roundtable with stakeholders on 25 February 2025

Appendix – About TPT and the TPT material



TPT materials

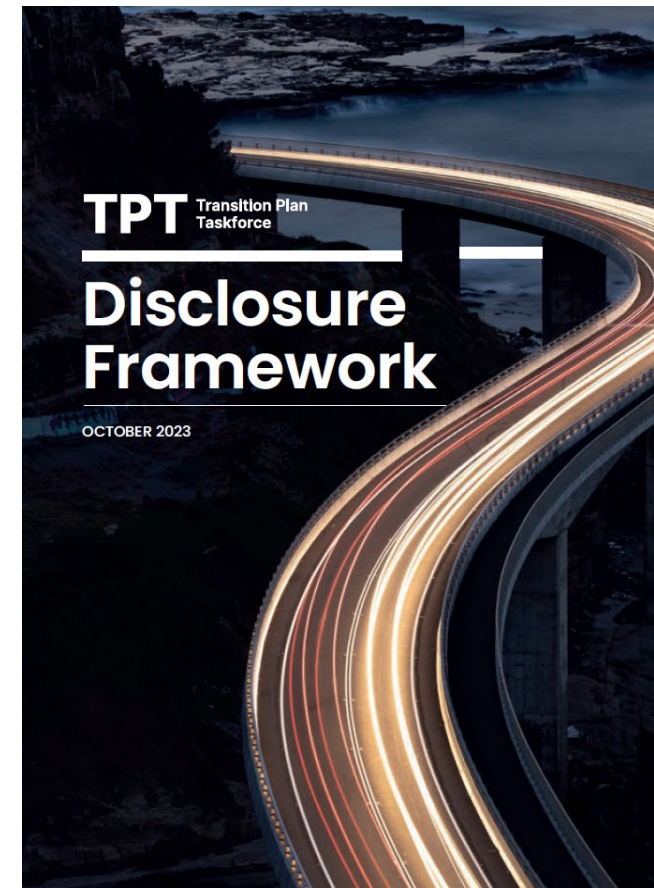
- The TPT was established by the UK Government at COP 26 to develop a framework for transition plan disclosures
- It began its work in Spring 2022 and published its disclosure framework in October 2023, informed by feedback from regulators and multilateral bodies internationally
- In April 2024 the TPT published final sector-specific materials, including deep dive transition plan guidance materials for seven sectors
- The IFRS Foundation has assumed responsibility only for the TPT's *disclosure-specific* materials (13 documents)
- Other legacy TPT content – including guidance on the transition planning process – has been assumed by the [International Transition Plan Network](#)



The TPT Disclosure Framework: background

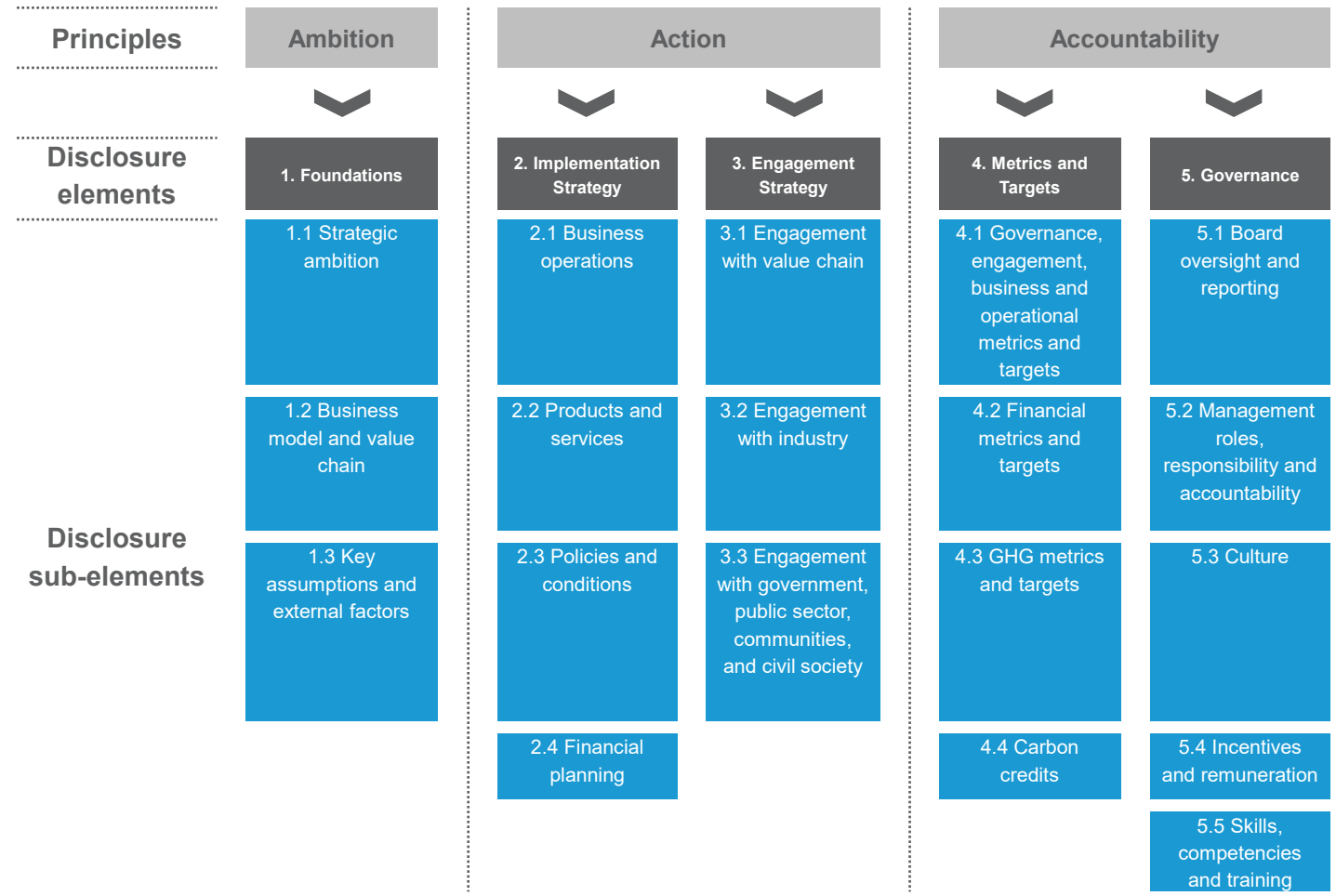
The TPT Disclosure Framework:

- builds on the definition of a climate-related transition plan in IFRS S2
- aligns with GFANZ guidance materials
- was informed by other pre-existing transition plan frameworks and guidance
- is designed to provide further depth and detail for preparers and users on the transition plan-relevant requirements in IFRS S2



TPT Disclosure Framework: structure

- The TPT Disclosure Framework has three guiding principles:
 - ambition
 - action
 - accountability
- It is organised across five elements, which are detailed in 19 sub-elements.
- Each sub-element is supported by a series of disclosure recommendations.
- *IFRS S2 Climate-related Disclosures–TPT Disclosure Framework Technical Mapping* provides a mapping between the requirements in IFRS S2 relevant to transition planning and the recommendations in the TPT Framework that the TPT considered as a source of additional guidance for entities when making disclosures.



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