SIRD #75
SOCIAL INVESTMENT ROUNDTABLE DISCUSSION

Social Investment Indonesia

FREE

DAPATKAN GIVEAWAY !

IMPLEMENTING IFRS S2 IN INDONESIA'S ENERGY SECTOR:

ASSESS AND PREPARE FOR REPORTING ON CLIMATE

Narasumber:



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Jumat, 7 Maret 2025

15.00 - 17.00 WIB

socialinvestment.id

Narahubung:
0812-3383-8463

zoom | Social Investment Indonesia

FAKULTAS
EKONOMI
DAN BISNIS

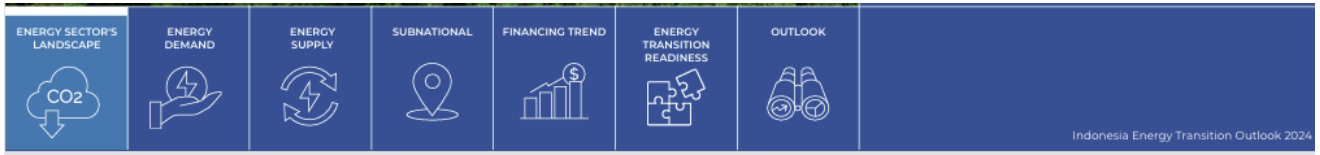
"Implementing IFRS S2 in Indonesia's Energy Sector: Assess and Prepare for Reporting in Climate"

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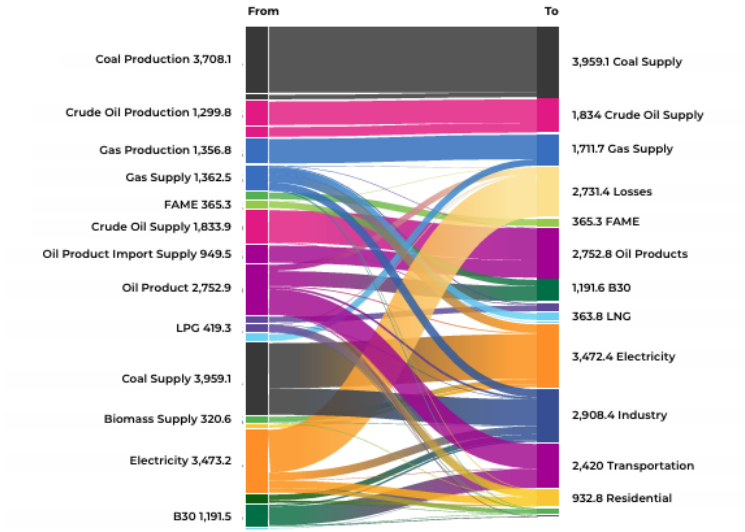
Background



ENERGY SECTOR'S LANDSCAPE

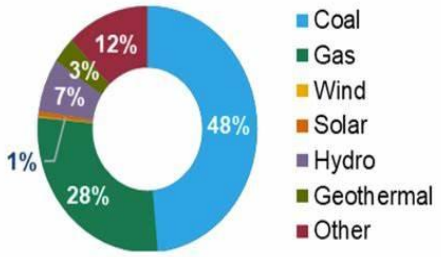
Fossil fuel dominance on domestic energy consumption still prevails

Energy Flow Diagram for Indonesia's Energy System in 2022



Source: IESR IETO Model
Notes: Captive - this energy balance only covered energy generated by the industrial sector (Izin Operasi); unit in petajoule (PJ)

- Indonesia's 2022 energy flow diagram demonstrated the heavy dependence on fossil fuels. Coal is responsible for around 44.7% of all supply, with most of the domestic use of coal dedicated to electricity generation, while one third of domestic supply was used directly in industry and other sectors. Oil products, which are mostly imported, serve 35.2% of the total supply, mainly for the transportation sector. Gas products remain irreplaceable in certain industries and dominate residential cooking.
- Actual renewable energy supply makes up only 9.58% of the total energy supply mix. Bioenergy constitutes about two-thirds of this supply, primarily through biodiesel blending in transportation fuel. The remaining RE supply, equivalent, to 0.16 EJ was transformed into electricity, which dominated by hydropower and geothermal generation. Meanwhile, solar and wind contributions remain miniscule.
- Industry and transport remain the biggest energy consumers with 5.3 EJ, in which 91% of it is directly supplied by fossil fuels. Notable transformation losses were due to large share of fossil fuel in power generation, which inherits low efficiency due to combustion processes.



Sources: Indonesia Power Market Report and Long-Term Outlook 2022



SIRD #75 – Implementing IFRS S2 in Indonesia's Energy Sector: Assess and Prepare for Reporting on Climate

Sektor energi memegang peran strategis dalam perekonomian Indonesia. Pada tahun 2023, konsumsi energi di sektor industri meningkat 13,1%, dengan batu bara mendominasi (56,9%) dibandingkan energi terbarukan (6,52%). Tanpa intervensi kebijakan, proyeksi Business as Usual (BaU) menunjukkan emisi Gas Rumah Kaca (GRK) dapat mencapai 1.669 juta ton CO_2e pada 2030, bertentangan dengan target Net Zero Emission (NZE) 2060.

Melalui Enhanced NDC, Indonesia berkomitmen menurunkan emisi GRK hingga 43,2% dengan dukungan internasional. Komitmen ini menuntut transformasi sistem energi berbasis prinsip transparansi dan akuntabilitas, yang kini diperkuat dengan adopsi IFRS S2 Climate-related Disclosures dari ISSB. Standar ini mewajibkan pengungkapan risiko fisik dan transisi, serta menetapkan empat pilar utama:

- ✅ Tata kelola iklim
- ✅ Strategi keuangan terkait iklim
- ✅ Manajemen risiko terintegrasi
- ✅ Metrik dan target yang terukur

Untuk itu, kami mengundang Sahabat SIRD untuk mendiskusikan isu ini pada SIRD seri ke-75. Kita akan membahas bagaimana penyusunan strategi dan persiapan pelaporan keuangan terkait iklim yang memenuhi kriteria IFRS S2.



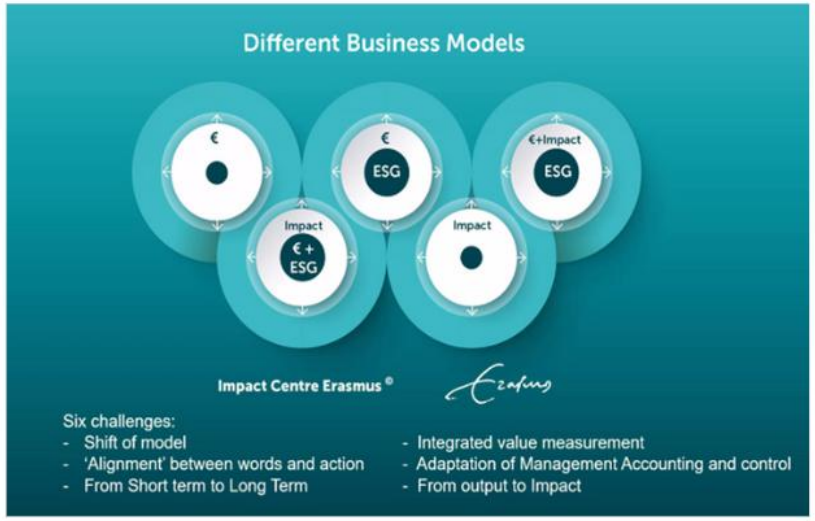
Agenda

1. Background;
2. The Concepts of Business Model and its Value Creation: Building Trust from Creating Shareholders Value, Shared Value, and System Value;
3. The Concepts of Double Materiality;
4. Presenting the climate-related risks and opportunities on the entity's business model and value chain.
5. Building Trust in this challenging word.

Business Model and its Value Creation



An entity's system of transforming inputs through its activities into outputs and outcomes that aims to fulfil the entity's strategic purposes and create value for the entity and hence generate cash flows over the short, medium and long term.



TYPES OF VALUES - VALUE CREATION

(as based on the development of the company's business models)

1. SHAREHOLDERS VALUES

Shareholder value refers to the financial returns and benefits generated for the shareholders or owners of a company. It focuses on maximizing profits, dividends, and the overall value of the company for its shareholders.

2. SHARED VALUES

Popularized by Harvard professor Michael Porter and Mark Kramer, expands the notion of value creation beyond the interests of shareholders alone. It emphasizes that businesses can create economic value while also addressing social and environmental challenges

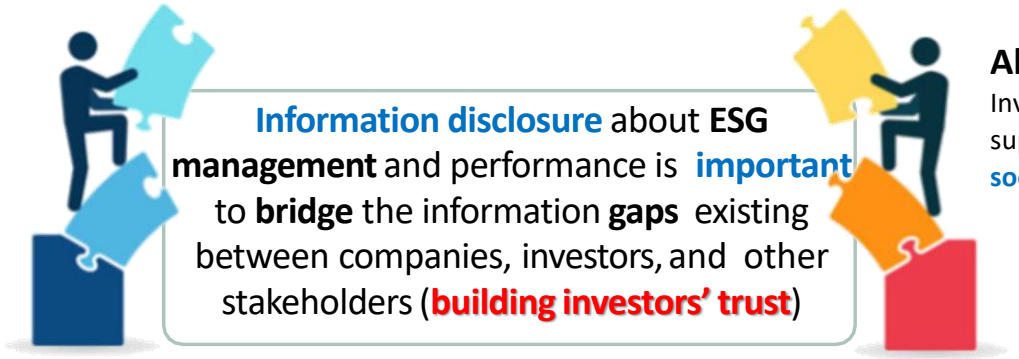
3. SYSTEM VALUES

System value takes a broader perspective by considering the impact of business activities on the entire ecosystem or system in which they operate. It recognizes that businesses are interconnected with various stakeholders, including customers, employees, suppliers, communities, and the environment.

Current Practices & Challenges in Sustainability and Climate–Related Disclosures (IAI 2024)

Heightened expectations from all stakeholders point to a **new economic development.**
Companies should shift their focus from **maximizing shareholder value** to **value creation** for all stakeholders to **achieve long-term sustainability (shared or system values).**

Company



Information disclosure about **ESG management** and performance is **important** to **bridge** the information **gaps** existing between companies, investors, and other stakeholders (**building investors' trust**)

All stakeholders
Investor, employees, customers, suppliers, local communities and **society at large**

Moreover, currently **greenwashing** remains a challenge faced by companies and all stakeholders.

Mislead investors

Represent a threat to the accuracy, reliability, and transparency

Decline in consumer confidence in a company's brand and products

Significant reputational damage, as well as financial losses

Disclosure of ESG information alongside financial information is vital for investors and stakeholders.
It allows them **to make informed decisions** about a company, its potential long-term performance, its impact on society, and society's impact on it (**cost efficiency, decision usefulness, and accountability**).

The Differences between CSR / SR and ESG Reporting (in reporting ESG practices)



What is the inside out approach to sustainability?
An inside-out innovation strategy is guided by the belief that an organization's inner strengths and capabilities will produce a sustainable future. All new ideas are born inside the organization, typically generated by management or the innovation and R&D departments.7

For an outside-in company, a sustainable growth strategy starts with understanding the difference between what you make and what people need, which often turn out not to be the same thing. Tapping customers' energy and imagination, outside-in companies explore the perspective of their previous, current, and future customers, exploring what's going on in the real world.



Enam Manfaat Adopsi IFRS S1 dan S2 (Shauki 2024)

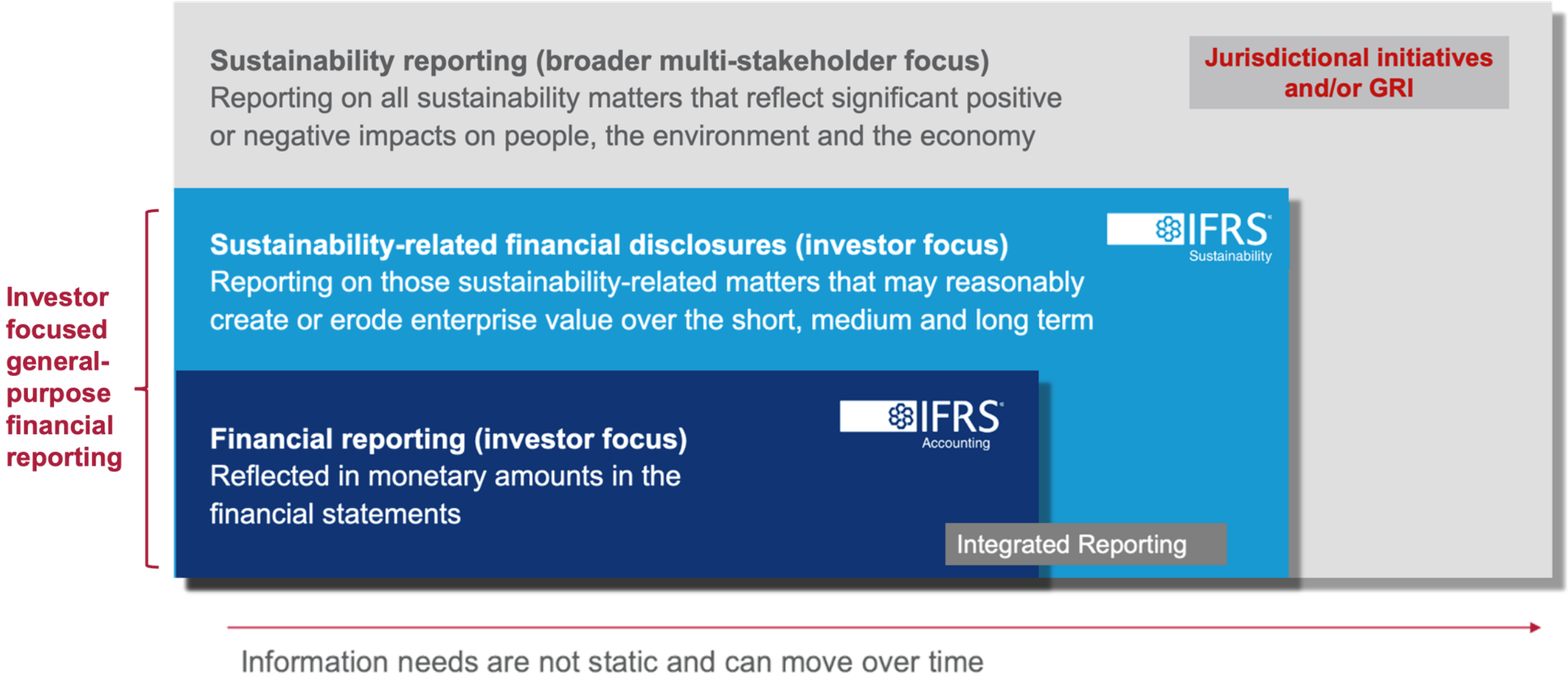
1. Dapat dengan mudah dibandingkan (*comparability*);
2. Mempromosikan kelayakan perusahaan jangka panjang (*long term viability*) dan meningkatkan inovasi perusahaan?
3. Mengidenfikasi dan mengelola **risiko** dan peluang perusahaan menjadi lebih baik?
4. Meningkatkan efisiensi dan akses perusahaan terhadap pendanaan (**akses capital**)?
5. Menjaga **Brand Images/Reputation**;
6. Meningkatkan keuntungan kompetitif (*competitive advantage*) Perusahaan.

Recent Developments and the Future Sustainability Disclosures (IFRS 2022) – Compatibility between IFRS Accounting Standards and IFRS Sustainability Disclosure Standards - Compatible Standards to meet Investors' Needs



- Integrated Reporting Council to advise IASB and ISSB on connectivity via fundamental concepts / guiding principles of integrated reporting
- IFRS Sustainability Disclosure Standards compatible with IFRS Accounting Standards or other GAAP to meet investor needs

Building Block Approach



Source: https://www.ifrs.org/content/dam/ifrs/meetings/2022/may/eeg/ap1-issb-eds.pdf

State of Sustainability Reporting Standards and Frameworks Used in 2023 (PWC 2024)

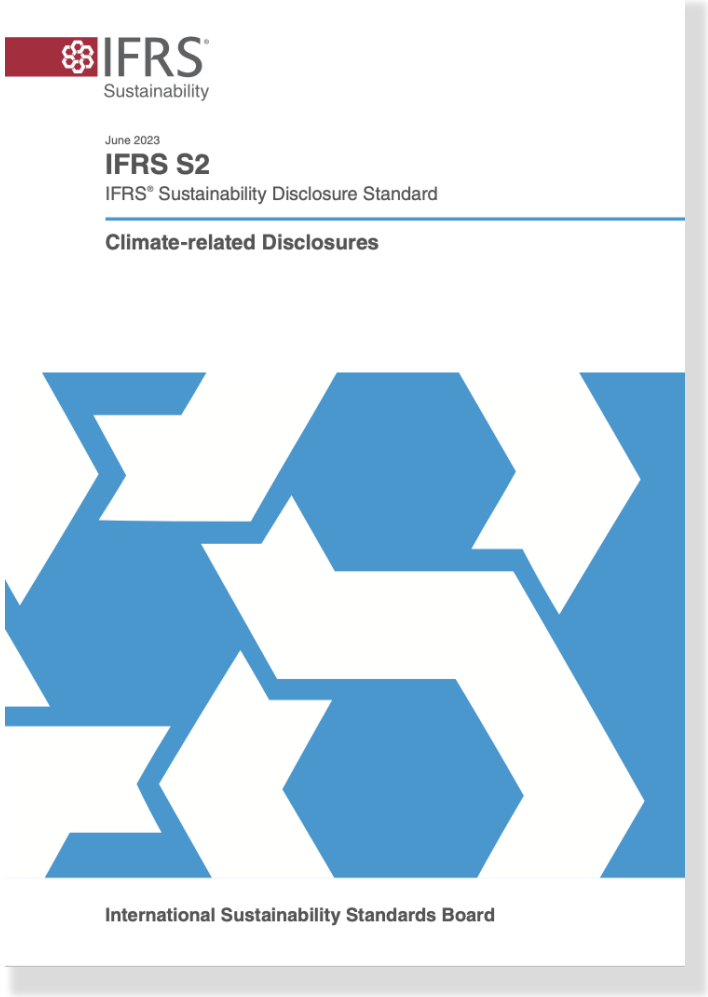
State of sustainability reporting standards and frameworks used in 2023

	GRI	SDG	ISO	TCFD	SASB	UNGC	CDP	IIRC
Overall (2021)	75%	76%	66%	36%	18%	23%	17%	20%
Overall (2022)	81%	78%	69%	57%	36%	28%	20%	20%
Australia	80%	80%	56%	86%	48%	34%	12%	8%
Chinese Mainland	76%	60%	70%	36%	8%	18%	8%	0%
Hong Kong SAR	80%	76%	86%	66%	28%	30%	22%	4%
India	84%	86%	64%	58%	50%	60%	50%	66%
Indonesia	80%	86%	78%	10%	18%	12%	12%	4%
Japan	80%	88%	88%	90%	44%	36%	20%	70%
Malaysia	84%	92%	78%	60%	18%	12%	22%	24%
New Zealand	44%	50%	48%	56%	12%	2%	30%	18%
Philippines	90%	94%	60%	36%	52%	18%	12%	16%
Singapore	98%	78%	74%	64%	34%	44%	10%	10%
South Korea	100%	82%	66%	92%	88%	48%	34%	20%
Taiwan	96%	92%	76%	90%	84%	36%	32%	20%
Thailand	86%	90%	68%	60%	22%	36%	22%	12%
Vietnam	50%	32%	54%	0%	2%	0%	0%	10%

0 to 25% of companies | 25% to 50% of companies | 50% to 75% of companies | >75% of companies

Source: Sustainability Counts II. Research focusing on the top 50-listed companies by market capitalisation across 14 selected jurisdictions across the Asia Pacific.
Note: The overall percentages are based on 13 jurisdictions in 2021, excluding South Korea.

IFRS S2 Needs To Be Applied with IFRS S1



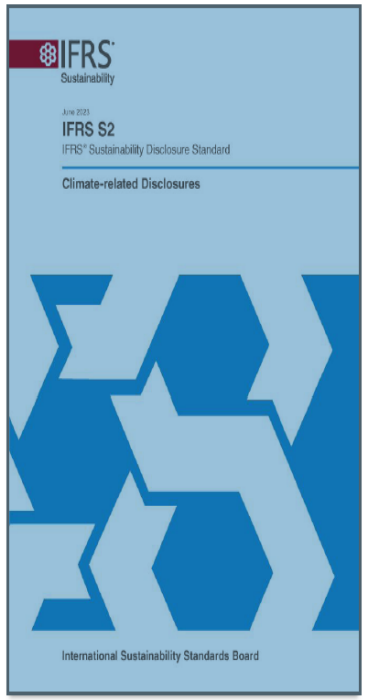
Source: IFRS

IFRS S2 – Climate-related Disclosures

- Fully incorporates the TCFD recommendations
- To meet investor information needs, **IFRS S2:**
  - is **used in accordance with IFRS S1**
  - requires disclosure of material information about climate-related risks and opportunities, including physical and transition risks
  - requires **industry-specific disclosures, which are supported by accompanying guidance built on SASB Standards**

IFRS S2: Climate-related Disclosures

IFRS S2: Climate-related Disclosures



- Fully incorporates the **TCFD recommendations**
- To meet investor information needs, IFRS S2:
  - is used in accordance with **IFRS S1**
  - requires disclosure of **material information about climate-related risks and opportunities**, including physical and transition risks
  - requires **industry-specific disclosures**, which are supported by accompanying guidance built on SASB Standards

Material climate-related information enables investors to:

- Determine the effects of climate-related risks and opportunities on the company's performance and prospects
- Understand the company's response to, and strategy for, managing its climate-related risks and opportunities, including its climate-related transition planning
- Evaluate the ability of the company to adapt its planning, business model and operations to climate-related risks and opportunities
- Understand climate-related risks and opportunities in a company's value chain

Objectives and Scopes

Objectives:

1. The objective of IFRS S2 *Climate-related Disclosures* is to require an entity to disclose information about its *climate-related risks and opportunities* that is useful to *primary users of general-purpose financial reports* in making decisions relating to providing resources to the entity.

2. This Standard requires an entity to disclose 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. For the purposes of this Standard, these risks and opportunities are collectively referred to as 'climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects.

Scope:

This Standard applies to:

(a) climate-related risks to which the entity is exposed, which are:

(i) *climate-related physical risks*; and

(ii) *climate-related transition risks*; and

(b) climate-related opportunities available to the entity.

Climate-related risks and opportunities that could not reasonably be expected to affect an entity's prospects are outside the scope of this Standard.

Scopes

Physical Risk:

Risks resulting from climate change that can be event-driven (acute physical risk) or from longer-term shifts in climatic patterns (chronic physical risk). Acute physical risks arise from weather-related events such as storms, floods, drought or heatwaves, which are increasing in severity and frequency. Chronic physical risks arise from longer-term shifts in climatic patterns including changes in precipitation and temperature which could lead to sea level rise, reduced water availability,
biodiversity loss and changes in soil productivity.

Transition Risk:

Risks that arise from efforts to transition to a lower-carbon economy. Transition risks include policy, legal, technological, market and reputational risks. These risks could carry financial implications for an entity, such as increased operating costs or asset impairment due to new or amended climate-related regulations. The entity's financial performance could also be affected by shifting consumer demands and the development and deployment of new technology.

4 (Empat) tema / core contents IFRS S2

TCFD taxonomy for climate-related risks and opportunities (1)

Core Elements of Recommended Climate-Related Financial Disclosures



Governance
The organization's governance around climate-related risks and opportunities

Strategy
The actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning

Risk Management
The processes used by the organization to identify, assess, and manage climate-related risks

Metrics and Targets
The metrics and targets used to assess and manage relevant climate-related risks and opportunities

Financial Impacts towards the Bottom Lines (DSK IAI 2024)

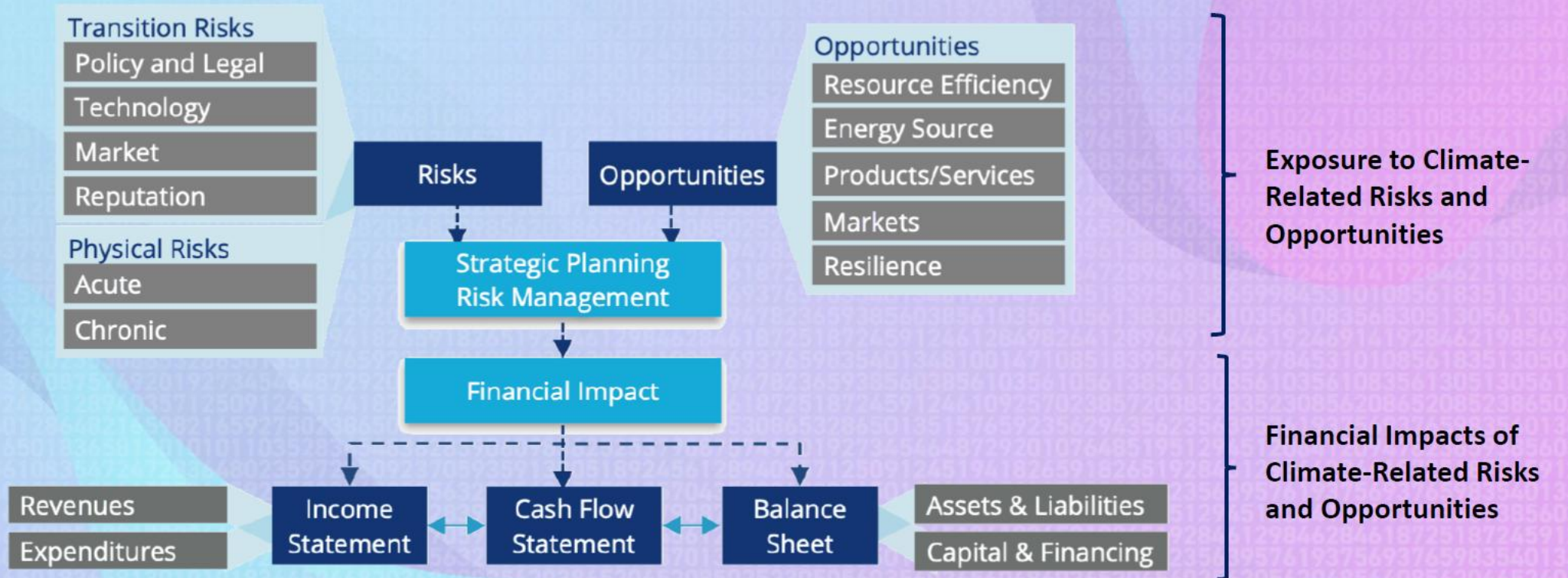
IKATAN AKUNTAN INDONESIA
Institute of Indonesia Chartered Accountants

Member of IFAC International Federation of Accountants

Assessing Financial Impacts of Climate-Related Risks and Opportunities

SEE BEYOND THE NUMBERS BECOME A CHARTERED ACCOUNTANT

This figure outlines the **main climate-related risks** (transition and physical) and **opportunities** organizations should **consider as part of their strategic planning or risk management** to determine potential **financial implications.**



Source: Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD, 2017)

CA IS A DIFFERENCE MAKER

Core Content

Core Contents:

1. Governance;
2. Strategies;
3. Risk management; and
4. Metrics and targets

Governance:

- The objective of climate-related financial disclosures on governance is to
- enable users of general-purpose financial reports to understand the
- governance processes, controls and procedures an entity uses to monitor,
- manage and oversee climate-related risks and opportunities.

In preparing disclosures to fulfil the requirements in paragraph 6, an entity shall avoid unnecessary duplication in accordance with IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* (IFRS S1) (see paragraph B42(b) of IFRS S1).

For example, although an entity shall provide the information required by paragraph 6, if oversight of sustainability related risks and opportunities is managed on an integrated basis, the entity would avoid duplication by providing integrated governance disclosures instead of separate disclosures for each sustainability-related risk and opportunity.

Core Content - Strategy

The objective of climate-related financial disclosures on strategy is to

- enable users of *general-purpose financial reports* to understand an entity's strategy for managing climate-related risks and opportunities.

An entity shall disclose information to enable users of general-purpose financial reports to understand:

(a) the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects (see paragraphs 10–12);

(b) the current and anticipated effects of those climate-related risks and opportunities on the entity's *business model* and *value chain* (see paragraph 13);

(c) the effects of those climate-related risks and opportunities on the entity's strategy and decision-making, including information about its *climate-related transition plan* (see paragraph 14);

(d) the effects of those climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those climate-related risks and opportunities have been factored into the entity's financial planning (see paragraphs 15–21); and

(e) the *climate resilience* of the entity's strategy and its business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities (see paragraph 22).

Core Content - Climate-related risks and opportunities

Climate-related risks and opportunities:

An entity shall disclose information that enables users of general-purpose financial reports to understand the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects.

The entity shall:

(a) describe climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects;

(b) explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk;

(c) specify, for each climate-related risk and opportunity the entity has identified, over which time horizons—short, medium or long term the effects of each climate-related risk and opportunity could reasonably be expected to occur; and

(d) explain how the entity defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.

Core Content - Business model and value chain:

Business model and value chain:

An entity shall disclose information that enables users of general-purpose financial reports to understand **the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain.**

Specifically, the entity shall disclose:

(a) a description of the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain; and

(b) a description of where in the entity's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).

Core Content - Strategy and decision-making

Strategy and decision-making

An entity shall disclose information that enables users of general-purpose financial reports to understand the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the entity shall disclose:

(a) information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the entity shall disclose information about:

  (i) current and anticipated changes to the entity's business model, including its resource allocation, to address climate-related risks and opportunities (for example, these changes could include plans to manage or decommission carbon-, energy- or water-intensive operations; resource allocations resulting from demand or supply-chain changes; resource allocations arising from business development through capital expenditure or additional expenditure on research and development; and acquisitions or divestments);

  (ii) current and anticipated direct mitigation and adaptation efforts (for example, through changes in production processes or equipment, relocation of facilities, workforce adjustments, and changes in product specifications);

  (iii) current and anticipated indirect mitigation and adaptation efforts (for example, through working with customers and supply chains);

  (iv) any climate-related transition plan the entity has, including information about key assumptions used in developing its transition plan, and dependencies on which the entity's transition plan relies; and

  (v) how the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets, described in accordance with paragraphs 33–36.

Key Disclosures
IFRS S2 - Climate-related Disclosures

IFRS Sustainability

2. Anticipated financial effects

- the use of all reasonable and supportable information available to the company without undue cost or effort
- the use of an approach that is commensurate with its available skills, capabilities and resources

A company does not need to provide quantitative information on anticipated financial effects if it lacks the skills, capabilities or resources to do so. Instead, they are asked to provide qualitative information.

Financial effects of connected information

- Entities will need to disclose the current and anticipated financial effects of sustainability-related risks and opportunities of **both a quantitative and qualitative nature using reasonable and supportable information**. If they are unable to provide the detail required, entities should explain why not and disclose what information they have to the most granular level they have available.
- Entities will also need to assess how information about **these risks and opportunities** is linked to information in the general-purpose financial statements.

Core Content - Financial position, financial performance and cash flows

Financial position, financial performance and cash flows

An entity shall disclose information that enables users of general-purpose financial reports to understand:

(a) the effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects); and

(b) the anticipated effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity's financial planning (anticipated financial effects).

Specifically, an entity shall disclose quantitative and qualitative information about:

(a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period;

(b) the climate-related risks and opportunities identified in paragraph 16(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements;

(c) how the entity expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:

  (i) its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans the entity is not contractually committed to; and

  (ii) its planned sources of funding to implement its strategy; and

(d) how the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities (for example, increased revenue from products and services aligned with a lower-carbon economy; costs arising from physical damage to assets from climate events; and expenses associated with climate adaptation or mitigation).

Core Content - Climate Resilience

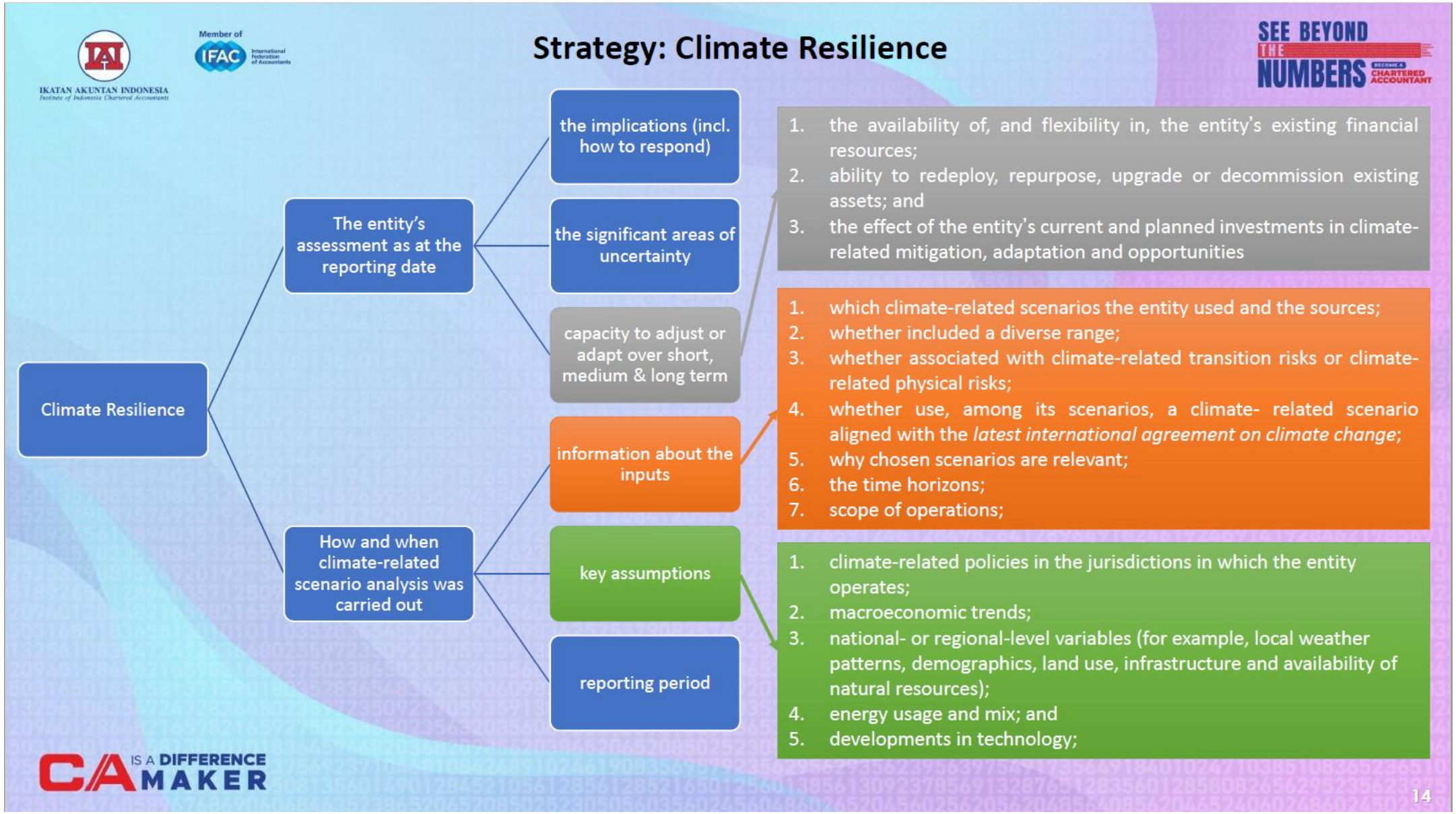
An entity shall disclose information that enables users of general purpose financial reports to understand the resilience of the entity's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities. The entity shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with the entity's circumstances (see paragraphs B1–B18). In providing quantitative information, the entity may disclose a single amount or a range. Specifically, the entity shall disclose:

(a) the entity's assessment of its climate resilience as at the reporting date, which shall enable users of general-purpose financial reports to understand:

(i) the implications, if any, of the entity's assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis;

(ii) the significant areas of uncertainty considered in the entity's assessment of its climate resilience.

Climate Resilience (DSK IAI 2024)



Core Contents - Risk Management

The objective of climate-related financial disclosures on risk management is to enable users of general-purpose financial reports to understand an entity's processes to identify, assess, prioritise and monitor climate-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process.

To achieve this objective, an entity shall disclose information about:

(a) the processes and related policies the entity uses to identify, assess, prioritise and monitor climate-related risks, including information about:

- (i) the inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes);
- (ii) whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related risks;
- (iii) how the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria);
- (iv) whether and how the entity prioritises climate-related risks relative to other types of risk;
- (v) how the entity monitors climate-related risks; and
- (vi) whether and how the entity has changed the processes it uses compared with the previous reporting period;

(b) the processes the entity uses to identify, assess, prioritise and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities; and

(c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process.

Core Contents - Metrics and Targets

The objective of climate-related financial disclosures on metrics and targets is to enable users of general-purpose financial reports to understand an entity's performance in relation to its climate-related risks and opportunities, including progress towards any climate-related targets it has set, and any targets it is required to meet by law or regulation.

To achieve this objective, an entity shall disclose:

(a) information relevant to the cross-industry metric categories (see paragraphs 29–31);

(b) industry-based metrics that are associated with particular business models, activities or other common features that characterise participation in an industry (see paragraph 32); and

(c) targets set by the entity, and any targets it is required to meet by law or regulation, to mitigate or adapt to climate-related risks or take advantage of climate-related opportunities, including metrics used by the governance body or management to measure progress towards these targets (see paragraphs 33–37).

Core Contents - **Climate-related Metrics**

An entity shall disclose information relevant to the cross-industry metric categories of:

(a) *greenhouse gases* - the entity shall:

(i) disclose its absolute **gross greenhouse gas emissions** generated during the reporting period**, expressed as metric tonnes of *CO2 equivalent*** (see paragraphs B19–B22), classified as:

(1) *Scope 1 greenhouse gas emissions*;

(2) *Scope 2 greenhouse gas emissions*; and

(3) *Scope 3 greenhouse gas emissions*;

(ii) measure its greenhouse gas emissions in accordance with **the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority** or an exchange on which the entity is listed to use a different method for measuring its greenhouse gas emissions (see paragraphs B23–B25);

(iii) disclose the approach it uses to measure its greenhouse gas emissions (see paragraphs B26–B29) including:

(1) the measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions;

(2) the reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and

Core Contents - Climate-related Targets

Climate-related targets

An entity shall disclose the quantitative and qualitative climate-related targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation, including any greenhouse
gas emissions targets. For each target, the entity shall disclose:

(a) the metric used to set the target (see paragraphs B66–B67);
(b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);
(c) the part of the entity to which the target applies (for example, whether the target applies to the entity in its entirety or only a part of the entity, such as a specific business unit or specific geographical region);
(d) the period over which the target applies;
(e) the base period from which progress is measured;
(f) any milestones and interim targets;
(g) if the target is quantitative, whether it is an absolute target or an intensity target; and
(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.

Industry-based Guidance - Energy

IFRS Sustainability

IFRS S2 guidance

Application Guidance

- Applying scenario analysis to assess climate resilience
- Measuring Scope 1-3, plus a framework for measuring Scope 3
- Disclosing information:
  - relevant to financed emissions
  - relevant to cross-industry metric categories
  - about climate-related targets

Accompanying guidance

- Metrics that could be disclosed relevant to cross-industry metric categories
- Examples of disclosing GHG emissions information applying the principles in IFRS S1 for aggregation and disaggregation
- Industry-based guidance on identifying appropriate disclosures associated with common business models and activities in a particular industry

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