







<b>Meeting:</b>	International Public Sector Accounting Standards Board	<b>Agenda Item 2</b>	<b>For:</b> <input type="checkbox"/> Approval <input checked="" type="checkbox"/> Discussion <input type="checkbox"/> Information
<b>Meeting Location:</b>	Virtual Meeting		
<b>Meeting Date:</b>	May 15, 2024		

## CLIMATE-RELATED DISCLOSURES

<b>Project summary</b>	The project objective is to support global action to combat climate change by providing principles for public sector climate-related disclosures that provide information for improved decision-making and accountability.	
<b>Project staff lead</b>	<ul style="list-style-type: none"> <li>Celine Chan, Senior Manager</li> </ul>	
<b>Climate Topic Working Group members</b>	<ul style="list-style-type: none"> <li>Ian Carruthers, IPSASB Chair (Topic Working Group Chair)</li> <li>Lisa French, Canadian Sustainability Standards Board</li> <li>Max Greenwood, HM Treasury</li> <li>Jack Bisset, New Zealand External Reporting Board</li> <li>Miguel Perez Ludena, GRI</li> <li>Alan Teixeira, International Sustainability Standards Board</li> <li>Liang Yang, IPSASB Member</li> </ul>	
<b>Meeting objectives</b> <b>Project management</b>	<b>Topic</b>	<b>Agenda Item</b>
	<a href="#">Climate-related Disclosures: Exposure Draft Dashboard</a>	<a href="#">2.1.1</a>
	<a href="#">Instructions up to Previous Meeting</a>	<a href="#">2.1.2</a>
	<a href="#">Decisions up to Previous Meeting</a>	<a href="#">2.1.3</a>
	<a href="#">Climate-related Disclosures: Project Roadmap</a>	<a href="#">2.1.4</a>
<b>Decisions required at this meeting</b>	<a href="#">Project Management Process and Next Steps</a>	<a href="#">2.2.1</a>
	<a href="#">Use of the Term Outcomes</a>	<a href="#">2.2.2</a>
	<a href="#">Navigating the draft ED</a>	<a href="#">2.2.3</a>
<b>Other supporting items</b>	[Draft] IPSASB SRS ED X, Climate-related Disclosures	2.3.1

**CLIMATE-RELATED DISCLOSURES:  
EXPOSURE DRAFT DASHBOARD**

Topic	Past Meetings	Mar 2024	June 2024	Sept 2024
Project Management	✓			
Review and Approval of ED				
<b>Climate-related Disclosures – Authoritative Text</b>				
Objective & Scope	✓			
Definitions	✓	✓		
Conceptual Foundations	✓			
• Materiality	✓			
Governance		✓		
Strategy		✓		
Risk and Impacts Management		✓		
Metrics and Targets				
General Requirements				
Application Guidance	✓	✓		
<b>Climate-related Disclosures – Non-Authoritative Text</b>				
Basis for Conclusions				

<b>Legend</b>	
✓	Task Completed
	Planned IPSASB Discussion
	Page-by-page Review

## INSTRUCTIONS UP TO PREVIOUS MEETING

Meeting	Instruction	Actioned
March 2024	1. Include discussions and rationale for the draft ED's objective, setting this in the context of the more general project aim in the Basis for Conclusions.	1. See Agenda Item 2.3.1 Paragraphs BC15-BC17
	2. Clarify policy activities relate to those external policies that influence other entities, including other economic sectors, rather than internal policies that impact an entity's own activities, and consider revising terminology.	2. See Agenda Item 2.3.1 Paragraphs B.AG11, BC2-BC8, BC12, BC38
	3. Clarify that an entity's own climate-related impacts can be addressed through disclosures of GHG emissions in accordance with IFRS S2, while impacts from an entity's policy activities should be addressed in the broader contexts of economy, environment and people.	3. To be drafted as part of with Metrics and Targets in Q2 2024
	4. Link discussion of disclosures on financial position, financial performance and cash flows to public sector planning and budgets given the importance of budgets in the public sector.	4. See Agenda Item 2.3.1 Paragraph AG34
	5. Clarify which sections of disclosure are mandatory, and whether explanation is needed if disclosure is not provided.	5. To be drafted as part of General Requirements in Q2 2024
	6. Consider provisions for cross-referencing or incorporating information from other reports such as risk and management reporting.	6. To be drafted along with General Requirements in Q2 2024
	7. Consider the public sector's role as guarantor of last resort and related disclosure requirements or application guidance.	7. See Agenda Item 2.3.1 Paragraph AG37
December 2023	1. Reflect on the description and drafting of climate-related impacts, including clarifying application guidance related to climate-related impacts versus climate-related risks and opportunities.	1. See <a href="#">Agenda Item 10.2.3</a> from March 2024 Meeting
	2. Review the scope of climate-related risks and opportunities to consider funding and resources.	2. See Agenda Item 2.3.1 Paragraphs 6, B.AG22, BC18-BC20

## Agenda Item 2.1.2

	3. Provide additional guidance on considerations for public sector entities with regulatory and policy roles versus administrative roles.	3. See <a href="#">Agenda Item 10.2.3</a> from March 2024 Meeting
	4. Review drafting to reflect how understanding an entity's context may include considering whether plans or programs are already in place, leveraging processes that were part of those plans or programs, such as engagement of stakeholders, and how the entity contributes to those established plans or programs.	4. See <a href="#">Agenda Item 10.2.2</a> from March 2024 Meeting
	5. Ensure drafting of the standard is not beyond climate.	5. Removed general references to sustainability through the (draft) ED. See Agenda Item 2.3.1
	6. Consider additional guidance to specifically address the public sector role and objectives for decision making and accountability as it relates to materiality.	6. See Agenda Item 2.3.1 Paragraphs B.AG60-B.AG121
	7. Consider feedback from breakout sessions in the development of the draft Climate-related Disclosures standard.	7. Feedback reflected in Core text and Application Guidance in Agenda Item 2.3.1
September 2023	1. Revise the definition of operational model and review the proposed definition for value chain.	1. Definitions of operational model and value chain updated in draft Standard. See <a href="#">Agenda item 6.3.1 in December 2023 Agenda papers</a> .

**DECISIONS UP TO PREVIOUS MEETING**

Meeting	Decision	BC Reference
March 2024	1. Subject to the instructions above, a key objective and aim of public sector Climate-related Disclosures is to provide disclosures of climate-related information to support decision making and accountability of entity's contribution to the latest international agreements and jurisdictional commitments to combat climate change.	BC15-17
	2. Subject to the instructions above, a key difference for public sector reporting that requires additional guidance is the public sector's ability to influence other entities, including other economic sectors, through its policy setting and regulatory activities, including impacts on the economy, environment and people of its policies.	BC2-8
	3. Subject to review of the draft ED, governance, strategy and risk management disclosures may be aligned with IFRS S2 for an entity's own operations, however, additional disclosures are required for an entity's policy setting activities, as applicable.	BC9-14
December 2023	1. Subject to the instructions above, the objective of public sector Climate-related Disclosures is to provide principles for disclosures of information on climate-related impacts, risks and opportunities to support decision making and accountability of entity's contribution to combat climate change.	BC15-35
	2. Subject to the instructions above, the guidance for identifying information for disclosures, including (i) understanding the entity's context, (ii) identifying climate-related impacts, risks and opportunities and (iii) determining material information, is appropriate.	To be drafted
	3. The definition of materiality as per the IPSASB Conceptual Framework should be used for climate-related disclosures.	BC54

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September 2023	1. The Board decided that Climate-related Disclosures should be developed based on the process including: <ul style="list-style-type: none"> <li>building off of IFRS S2 and GRI climate-related topic standards,</li> <li>leveraging sustainability expertise through the IPSASB's education sessions, and</li> <li>drawing on the discussions in the IPSASB Sustainability Reference Group and the Climate Topic Working Group.</li> </ul>	BC10
	2. The Board decided that the terms and definitions recommended for operational model, GPFRs, primary users of GPFRs, and reporting entity, were appropriate subject to refinement to reflect its instructions.	N/A
June 2023	1. The Board decided unanimously to move forward with the development of guidance on Climate-related Disclosures.	N/A
	2. The Board decided that sustainability reporting pronouncements should be issued as authoritative standards that should be separate from the current suite of IPSAS.	N/A
	3. The Board approved the Climate-related disclosures project brief by a vote.	N/A
March 2023	1. The Board decided to move forward with scoping the potential initial sustainability reporting projects using a framework based on: <ul style="list-style-type: none"> <li><a href="#">Consultation Paper on Advancing Public Sector Sustainability Reporting Guidance</a> and feedback received from constituents;</li> <li>IPSASB Conceptual Framework as it relates to objectives, users and information needs;</li> <li>IFRS Sustainability Standards; and</li> <li>GRI Standards.</li> </ul>	N/A
December 2022	1. The Board decided to commence scoping and research work on potential public sector sustainability reporting projects pending securing the resources needed to begin guidance development.	N/A
March 2022	1. All instructions provided up until March 2022 were reflected in the <a href="#">Consultation Paper on Advancing Public Sector Sustainability Reporting</a>	N/A

**SUSTAINABILITY REPORTING  
PROJECT ROADMAP**

<b>Meeting</b>	<b>Completed Actions or Discussions / Planned Actions or Discussions:</b>
March 2022	1. Approve Consultation Paper
May 2022 – September 2022	1. Document Out for Comment
October 2022	1. Preliminarily Review of Responses
December 2022	1. Review of Responses to Consultation Paper 2. Discussion of Issues
June 2023	1. Approval of Climate-related disclosures Project Brief
September 2023	1. Review project plan and roadmap
December 2023	1. Review [draft] ED sections: Objective, Scope and Conceptual Foundations 2. Page flip
March 2024	1. Discuss principles for [draft] ED sections: Governance, Strategy, Impacts and Risk Management
May 2024	1. Review [draft] ED: Governance, Strategy, Impacts and Risk Management 2. Page flip
June 2024	1. Review [draft] ED: Metrics and Targets, General Requirements and Transitional Provisions 2. Page flip
July 2024	1. Discussion of any remaining one-off issues if necessary
H2 2024	1. Approval of ED

## **Project Management Process and Next Steps**

### **Purpose**

1. This paper provides an overview of the activities and developments relating to the IPSASB Sustainability Reporting Standards™ (IPSASB SRS™) ED Climate-related Disclosures Standard since the Board's March 2024 meeting. This paper is provided for information purposes.

### **Background**

2. The IPSASB agreed in September 2023 to set up the Sustainability Reference Group (SRG) and the Climate-Topic Working Group (CTWG) to address the need for input and advice from sustainability experts to support its sustainability standard-setting activities. The SRG and CTWG have been utilized each quarter since this point to provide guidance, advice, and input on key content standard-setting matters to support detailed recommendations to the IPSASB related to the draft ED for the Climate-related Disclosures project.

### **Q2 2024 Board Check-in**

3. The May 2024 check-in meeting is the Board's:
  - a) First review of the drafting of the governance, strategy, and risk management sections of the ED, in accordance with the decisions and instructions from the December 2023 and March 2024 meetings; and
  - b) Second review of the drafting of the objective, scope, and conceptual foundations section of the ED (updated based on Board decisions and instructions in December 2023).
4. This draft ED reflects Board decisions and instructions, informed by breakout group discussions, and advice and recommendations from the SRG and CTWG, respectively.
5. For the purposes of this check-in meeting, staff are seeking specific feedback on the draft disclosure principles, including:
  - a) Whether there are substantive points related to the drafted principles that require further articulation in the core text, application guidance or in the non-authoritative basis for conclusions (please be prepared to articulate the details of your proposal and the reason further articulation is needed);
  - b) Whether any additional public sector-specific adaptations are needed in the draft ED for an entity's own operations (please be prepared to articulate the details of your proposal and the reason that the public-sector difference needs to be addressed); and
  - c) Whether any additional public sector guidance is needed in the draft ED for an entity's policy activities (please be prepared to articulate the details of your proposal and why this needs to be addressed in the public sector-specific guidance).
6. At the meeting, the Board will do a section-by-section review of the draft ED. For example, in discussing the section on governance, this will include the core text, application guidance and basis for conclusions relating to governance. See [Agenda Item 2.2.3](#) for an overview of the draft ED and key questions to consider for each section.



7. Any editorials should be sent separately to staff and will be considered by the Climate-related Disclosures drafting group (to be established after the June meeting). Please note that editorials are not intended to be discussed in the plenary of the meeting.
8. Board members are encouraged to reach out to staff in advance of the check-in meeting should they have questions of understanding or concerns regarding the direction of the draft ED.

**Next Steps and Q3 2024 Activities**

9. Staff will engage the SRG and CTWG to discuss proposals relating to climate-related metrics and transitional provisions on:
  - a) SRG – May 8, 2024: Board Members and Technical Advisors are invited to observe this meeting;
  - b) CTWG – May 22, 2024, to inform recommendations for IPSASB consideration at the June 2024 meeting.
10. The input and advice from the SRG, the recommendations from the CTWG, and the input from the March 2024 Board meeting breakout groups will shape the proposals and the drafting of the remaining sections of the draft ED, including Metrics and Targets, General Requirements, and Transitional Provisions, which will be reviewed by the Board in June.
11. At the June CAG meeting, there will be an education session. The session will include observations on the implementation of IFRS S1 and S2 in the private sector and how a government is proposing to approach sustainability reporting.
12. Following the IPSASB June 2024 meeting, a drafting group of Board members will be established to work on drafting issues to prepare and ready the ED for approval in September 2024.
13. The draft ED, reflecting updates arising from the June 2025 decisions and instructions and the drafting group review, will be discussed by the IPSASB at the Q3 check-in meeting.

## Use of the term Outcomes

### Question

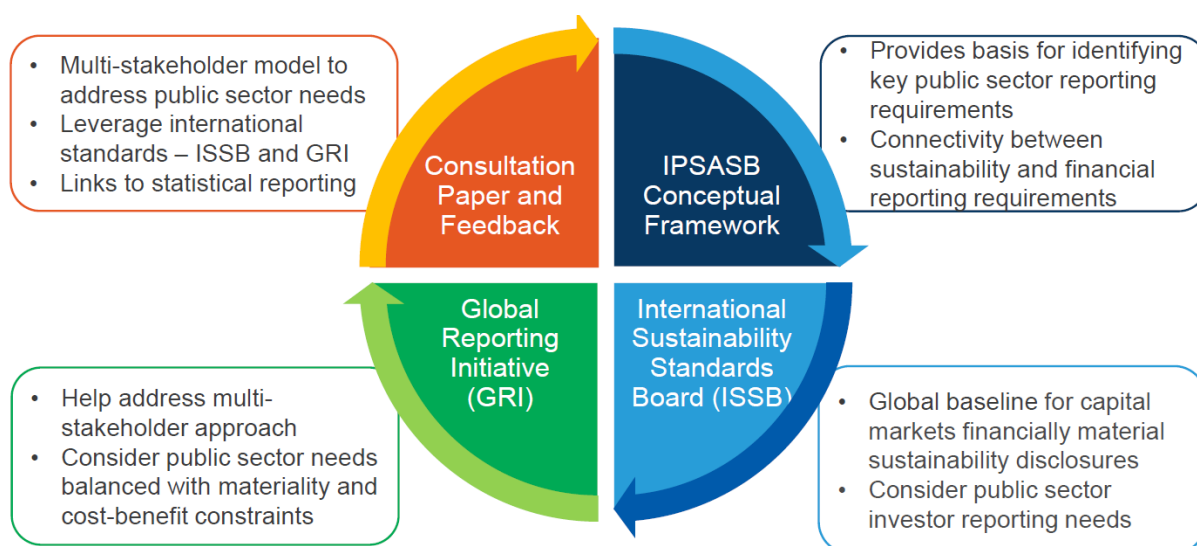
1. Does the Board agree that the term 'outcomes' should replace 'impacts'?

### Recommendations:

2. Staff recommend addressing the multi-stakeholder information needs by using 'outcomes' because 'impacts' have different definitions and interpretations across different sustainability frameworks whereas 'outcomes' is a term defined in RPG 3 as "the impacts on society which occur as a result of or are reasonably attributable to the entity's outputs".

### Background

3. In response to Consultation Paper (CP) Advancing Public Sector Sustainability Reporting, constituents identified the need for public sector-specific sustainability reporting standards to help address the multi-stakeholder user needs, including the need to address the policy and regulatory role of public sector entities.
4. In March 2023, the IPSASB agreed on the framework for sustainability reporting to build off of the CP, the IPSASB Conceptual Framework and ISSB and GRI standards.



5. Based on this framework, the Board agreed in December 2023 to include in the scope of the (draft) standard:
  - a) Climate-related risks and opportunities to an entity (based on ISSB); and
  - b) Climate-related impacts (based on GRI to address multi-stakeholder needs as suggested by some respondents to the CP).
6. At the March 2024 meeting, and in previous meetings, discussion of the concept of impacts as it relates to each of an entity's own operations and an entity's policy activities, highlighted questions that staff has further considered in developing a revised approach.

## Analysis

7. Impacts is a common academic concept in sustainability reporting. However, in practice, there are different interpretations and inconsistencies in definitions and practical approaches to reporting on impacts across different sustainability frameworks. This could provide challenges for public sector users when applying IPSASB SRS and in using the information in future IPSASB SRS-compliant reporting. Alternatively, 'outcomes' is a defined term in IPSAS (it is defined in RPG 3, *Reporting Service Performance Information*, which is guidance developed through IPSASB due process, and which was updated in 2023 to add sustainability examples.

## Impacts

8. Various sustainability-related reporting frameworks use the term 'impacts'; however, they are not always used in a consistent manner and are drafted with different descriptions and definitions. Some definitions are narrower, and some are broader, for example:
  - a) Capitals Coalition defines natural capital impact as the negative or positive effect of business activity on natural capital;
  - b) GRI defines impact as the effect an organization has or could have on the economy, environment, and people, including effects on their human rights, as a result of the organization's activities or business relationships. The impacts can be actual or potential, negative or positive, short-term or long-term, intended or unintended, and reversible or irreversible. These impacts indicate the organization's contribution, negative or positive, to sustainable development;
  - c) Impact Management Platform defines impact management as the process by which an organization understands, acts on and communicates its impacts on people and the natural environment, in order to reduce negative impacts, increase positive impacts, and ultimately to achieve sustainability and increase well-being; and
  - d) IFRS S1 and IFRS S2 does not define impacts but IFRS S1 paragraph 2 and B2 state that the entity's dependencies on resources and relations and its impacts on resources and relationships give rise to sustainability-related risks and opportunities for the entity.

## Outcomes

9. Given the variation in definitions of impacts, staff reconsidered the extent to which IPSASB's existing literature could help address the challenges that this lack of consistency raises in relation to climate-related disclosures. In particular, staff considered guidance in the Conceptual Framework and Recommended Practice Guideline (RPG) 3 on '*Reporting Service Performance Information*'.
10. In approaching this issue, the Conceptual Framework provides the following useful thinking which is applicable in considering the overarching context related to information in reports and user needs, as follows:
  - a) The objectives of financial reporting by public sector entities are to provide information about the entity that is useful to users for accountability purposes and for decision-making purposes.
  - b) The primary users of General Purpose Financial Reports (GPFRs) are service recipients and their representatives, and resource providers and their representatives (referred to as 'service recipients and resource providers').

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11. IPSASB literature does not define impacts. However, they are referred to in the RPG 3 definition of outcomes: ‘the impacts on society which occur as a result of or are reasonably attributable to the entity’s outputs.’ Outputs are defined in RPG 3 as: ‘services provided by an entity to recipients external to the entity’.
12. These definitions have been approved through the normal IPSASB due process as part of the original development of RPG 3. They are also applicable to sustainability reporting, as evidenced by the review and updates to RPG 3 in 2023 to clarify how the RPG can be applied for reporting sustainability program information, using Implementation Guidance and four Illustrative Examples based on real-life sustainability programs.
13. While the definition of the outcomes refers to ‘impacts,’ it is consistent with the guidance in the Conceptual Framework in that it considers only those impacts ‘which occur as a result of, or are reasonably attributable to, an entity’s outputs.’ This is consistent with the guidance in the Conceptual Framework in relation to GPFRs, that while users other than the primary users may find the information provided by GPFRs useful, GPFRs are not developed to specifically respond to their information needs.
14. In considering how the RPG 3 reporting model might be applied to the Climate-related Disclosures standard, staff considered two key aspects of the definitions of outcomes and outputs:
  - a) “Services” in the definition of outputs as defined by RPG 3 (see paragraph 16); and
  - b) “Society” included in the definition of outcomes as defined in RPG 3 (see paragraph 17).
15. These were considered in the context of:
  - a) The Board decision to adopt the Climate-related Disclosures project of separately addressing an entity’s own operations and its policy activities; and
  - b) How climate-related policy activities affect the various sectors of the economy.



16. Staff determined the RPG 3 reporting model can be applied when reporting on Climate-related disclosures as the term 'services' in the definition of 'outputs' could encompass both those provided through its own activities and the outputs of its policy activities (regulation, programs, etc.).
17. For policy activities, under RPG 3, as outlined in the new Illustrative Examples, an entity would report on its inputs, outputs and outcomes. Though the definition of outcomes does not explicitly include the economy and environment, as common in some of the definitions of impacts, the effects on economy and environment are interrelated with the effects on society and therefore staff consider this implicit in 'the impact on society' and would be addressed through the reporting approaches in the new Illustrative Examples.
18. For a public sector's own operations, the contributions of its own operations to the achievement (or otherwise) of the intended outcomes of a government's policy activities will be considered by the entity accountable for these policies. In this way, the greenhouse gas metrics that an entity reports in relation to its own operations, or information on its mitigation or adaptation programs will be reported under the IPSASB future sustainability guidance aligned with IFRS S2-based requirements, for the metrics supporting management of risks and opportunities, instead of needing to report on broader climate-related outcomes.
19. Therefore, staff recommends that the term 'outcomes' replaces 'impacts' because it is a defined term in IPSAS that addresses user needs in accordance with the IPSASB Conceptual Framework, and addresses the inconsistencies and challenges of impacts for public sector preparers and users when applying IPSASB SRS.

**Decision Required**

20. Does the IPSASB agree with the [recommendation](#)?

## Navigating the Draft ED

### Purpose

1. To provide Board members with an overview of updates to the draft ED to support review and navigating through the document.

### Background

2. During the December 2023 Board meeting, the IPSASB discussed principles relating to the Objective, Scope and Conceptual Foundations of the draft ED and reviewed a first draft of the related sections.
3. During the March 2024 Board meeting, the IPSASB had further discussions relating to:
  - a) Refinement to the Objective and Scope of the draft ED;
  - b) Approach to aligning with IFRS S2 for an entity's own operations while providing additional public sector specific requirements and guidance for the public sector's policy activities; and
  - c) Disclosure requirements and application guidance for an entity's Governance, Strategy and Impact and Risk Management disclosures.
4. At each of these meeting, the Board made decisions and gave instructions which staff have actioned and are reflected in the draft ED. Staff have actioned the Board's decisions and instructions as noted in Agenda Item 2.1.2 and the "Notes" column of Agenda Item 2.3.1 (see below).
5. Agenda Item 2.3.1 is an annotated draft ED which includes additional commentary for Board reference and understanding, including:

December 2023 Draft	May 2024 Draft	Source	Notes
Text reviewed by the Board in December 2023 for reference.	<b><u>Text for Board review in May 2024</u></b> , which includes updates to the December 2023 draft to reflect Board decisions and instructions, and new drafting.	<i>References to source literature. These will not be included in the ED.</i>	<i>Notes to provide background and rationale for changes made or new drafting recommendations. These will not be included in the ED.</i>

6. At this May check-in meeting, the Board will review the draft ED section-by-section (the text in the second column titled "May 2024 Draft").

### Structure – Own operations vs. Policy Activities

7. As discussed in March 2024, staff aligned disclosure requirements and guidance regarding an entity's own operations with IFRS S2. Adaptations are limited to public sector specific differences, particularly relating to:
  - a) Adaptations for public sector specific examples and terminology, in the same way as the IPSASB's existing [Process for Reviewing and Adapting IASB Documents](#); and
  - b) Added application guidance to assist preparers in applying the disclosure requirements in the public sector context.

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8. Disclosure requirements and application guidance regarding an entity's policy activities, where applicable, follow each section relating to an entity's own operations. For example, requirements relating to governance over an entity's own operations are in paragraph 8, followed by requirements relating to governance over policy activities in paragraph 9. This structure is intended to provide a clear delineation of requirements and guidance for those entities with and without policy activities, as there are fewer entities with policy activities.

### Section-by-section summary

9. At this May check-in meeting, the Board will review the draft ED section-by-section. For example, the section on governance will include the core text, application guidance, and basis for conclusions relating to governance.
10. The table below provides a summary of each section of the draft standard, including the approach and sources of drafting, key updates since the Board's past discussion, and highlights key principles for Board members to consider in its review.
11. In addition to the specific principles highlighted in the table below, staff would like to get the Board's feedback on each section about:
- Whether there are substantive points related to the drafted principles that require further articulation in the core text, application guidance or in the non-authoritative basis for conclusions (please be prepared to articulate the details of your proposal and the reason further articulation is needed);
  - Whether any additional public sector-specific adaptations are needed in the draft ED for an entity's own operations (please be prepared to articulate the details of your proposal and the reason that the public-sector difference needs to be addressed); and
  - Whether any additional public sector guidance is needed in the draft ED for an entity's policy activities (please be prepared to articulate the details of your proposal and why this needs to be addressed in the public sector-specific guidance).
12. Any editorials should be sent separately to staff and will be considered by the Climate-related Disclosures drafting group (to be established after the June meeting). Please note that editorials are not intended to be discussed in the plenary of the meeting.

Section	Summary	Key principles for discussion
<b>Objective and Scope</b> Paragraphs 1-5, and BC1-35	To disclose information about: <ul style="list-style-type: none"> <li>Climate-related risks and opportunities that could affect the long-term fiscal sustainability of an entity's own operations, and</li> <li>The outcomes that could be expected as a result of climate-related policy activities.</li> </ul>	Do you have any comments on the application guidance relating to "long-term fiscal sustainability"? (Refer to paragraphs B.AG22 and BC18-BC20 of Agenda Item 2.3.1)  What comments do you have on the proposed move to using "outcomes" expected as a result of climate-related policy activities rather than impacts (See Agenda Item 2.2.2)?

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<b>Definitions</b> Paragraph 6	<p>Definitions are drawn from IFRS S2 and RPGs, including outcomes from RPG 3 and long-term fiscal sustainability from RPG 1.</p> <p>Definition also added for policy activities and own operations.</p>	<p>Do you have any comments on the definitions for policy activities and own operations? (Refer to paragraph 6 of Agenda Item 2.3.1)</p>
<b>Governance</b> Paragraphs 7-10, AG.1-AG.3 and BC36-BC38	<p>Governance for public and private sector entities are very similar (based on Dec 2023 breakout group discussions).</p> <p>Therefore, disclosure requirements are aligned with IFRS S2 for an entity's own operations and policy activities, with additional application guidance to elaborate on the public sector context.</p>	<p>Do you have any comments on the application of IFRS S2 disclosure requirements to a public sector entity's own operations and policy activities in relation to governance?</p> <p>Are there any other public sector differences to be addressed in application guidance on governance?</p>
<b>Strategy</b> <i>For an entity's own operations:</i> Paragraphs 11-22 and AG.4-31 <i>For an entity's policy activities:</i> Paragraph 23-27, AG32-AG38 and BC39-BC47	<p>Strategy is different for public and private sector entities primarily due to the additional policy tools that public sectors can exercise.</p> <p>Therefore, disclosure requirements for an entity's policy activities are distinct from the requirements for an entity's own operations.</p> <p>Requirements for an entity's own operations is based on IFRS S2 with additional application guidance for the public sector context.</p> <p>Requirements for an entity's policy activities is based on feedback from Dec 2023 Board discussions and CTWG input.</p>	<p>Do you have any comments on the application of IFRS S2 disclosure requirements to a public sector entity's own operations in relation to strategy?</p> <p>Are there any other public sector differences to be addressed in application guidance in strategy (see AG4-AG31)?</p> <p>Do you have any comments on the proposed requirements for an entity's policy activities as it relates to:</p> <ul style="list-style-type: none"> <li>- Strategy for climate-related policy activities (paragraph 24 and AG32-AG33)</li> <li>- Current and Anticipated Financial Effects of Climate-related Policy Activities (paragraph 25 and AG34-36), or</li> <li>- Climate Resilience informed Policy Activities (paragraphs 26-27 and AG37-38)?</li> </ul>



<p><b>Risk and Outcome Management</b> Paragraphs 28-31 and AG39-AG40 BC48-51</p>	<p>Similar to governance, feedback from the Dec 2023 breakout groups was that risk management processes and practices are similar across public and private sector though the risks faced by each are different.</p> <p>Therefore, disclosure requirements are aligned with IFRS S2 for an entity's own operations and policy activities, with additional application guidance to elaborate on the public sector context.</p>	<p>Do you have any comments on the application of IFRS S2 disclosure requirements to a public sector entity's own operations and policy activities in relation to risk management?</p> <p>Do you have any comments on the principles and application guidance on outcome management in paragraph 30 and AG40?</p> <p>Are there any other public sector differences to be addressed in application guidance on risk and outcome management?</p>
<p><b>General requirements for Climate-related Disclosures</b> Appendix B and Appendix B.AG BC14, BC52-BC56</p>	<p>Updates have been made to the draft previously reviewed in Dec 2023 to reflect:</p> <ul style="list-style-type: none"> <li>- Instructions from the Board's initial review at the Dec 2023 meeting, including: <ul style="list-style-type: none"> <li>- New paragraphs added to understanding an entity's context (B.AG11, B.AG14, B.AG19)</li> <li>- Additional examples and public sector risks in guidance on identifying climate-related risks (B.AG26-B.AG30)</li> <li>- Streamlined guidance to clarify principles for assessing materiality (B.AG82-B.AG95)</li> </ul> </li> <li>- Updates to the concepts discussed above, including guidance on climate-related policy activities and outcomes (B.AG32-B.AG43)</li> </ul>	<p>Do you have any comments on the changes to Appendix B application guidance, particularly on:</p> <ul style="list-style-type: none"> <li>- Understanding an entity's context</li> <li>- Identifying Climate-related risks and opportunities</li> <li>- Climate-related outcomes</li> <li>- Materiality</li> </ul>