

Sustainability DIY

IFRS Sustainability Disclosure Standards

Journey 1



The background features a dark teal gradient. At the top, there are two stylized clouds: a larger blue one on the left and a smaller teal one on the right. On the right side, there are several large, layered green leaves of varying shades. At the bottom, there are stylized hills in shades of purple and teal, with a small pink and purple flower-like shape on the left. The text is white and yellow, providing a high-contrast look against the dark background.

DIY your report in accordance to the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards

Journey 1

Introduction and getting prepared for the IFRS Sustainability Disclosure Standards

Disclaimer: This resource has been developed by Sustain Labs Paris & Microsoft to support using IFRS Sustainability Disclosure Standards for sustainability reporting. It is not an initiative of ISSB or IFRS Foundation, or endorsed by these parties.

Introduction to the IFRS Sustainability Disclosure Standards

The IFRS Foundation was established in 2001 as an independent and not-for-profit organization.¹

The International Sustainability Standards Board (ISSB) is an independent standards setting body that develops and approves the IFRS Sustainability Disclosure Standards.

The ISSB incorporates elements from various market-led and investor-focused reporting initiatives, such as the Climate Disclosure Standards Board (CDSB), the Task Force for Climate-related Financial Disclosures (TCFD), the Integrated Reporting Framework by the Value Reporting Foundation, industry-based SASB Standards, and the Stakeholder Capitalism Metrics of the World Economic Forum.²



1 - IFRS. (n.d.). *IFRS - Who we are*.

<https://www.ifrs.org/about-us/who-we-are/#about-us>

2 - IFRS. (n.d.). *IFRS - International Sustainability Standards Board*.

<https://www.ifrs.org/groups/international-sustainability-standards-board/>

IFRS Sustainability Disclosure Standards are designed to work with any accounting standards used to prepare financial statements. They may be applicable across various jurisdictions. There are two standards:³



IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information



IFRS S2: Climate-related Disclosures



3 - IFRS. (n.d.). *IFRS - Introduction to ISSB and IFRS Sustainability Disclosure Standards*.
<https://www.ifrs.org/sustainability/knowledge-hub/introduction-to-issb-and-ifrs-sustainability-disclosure-standards/>

26 June 2023

Release of IFRS S1 & S2⁴

1st Jan 2024

IFRS S1 & S2 will become effective for annual reporting periods beginning on or after 1 January 2024, but companies can adopt them early if they wish.⁵

2025 onwards..

First reports to be published.

Local jurisdictions will be responsible for determining local mandatory reporting timelines.⁶

4 - IFRS. (n.d.). *IFRS - General Sustainability-related Disclosures*.

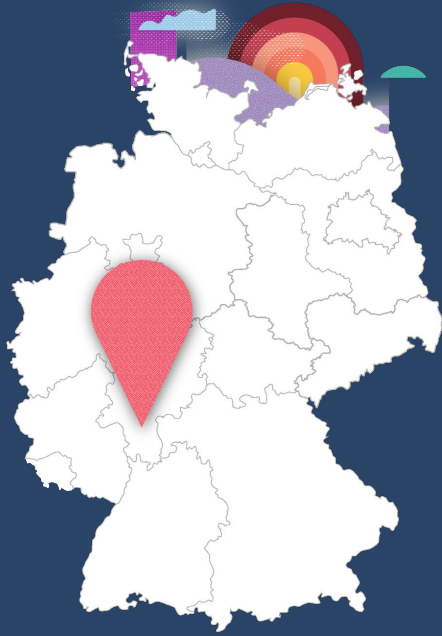
<https://www.ifrs.org/projects/completed-projects/2023/general-sustainability-related-disclosures/#final-stage>

5 - IFRS. (2023, June). Project Summary IFRS Sustainability Disclosure *Standards* (pg. 2).

<https://www.ifrs.org/content/dam/ifrs/project/general-sustainability-related-disclosures/project-summary.pdf>

6 - IFRS. (n.d.). *IFRS - ISSB: Frequently Asked Questions*.

<https://www.ifrs.org/groups/international-sustainability-standards-board/issb-frequently-asked-questions/>



Contact details

Contact

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Frankfurt is the seat of the ISSB, housing the office of the Chair and serving as the hub for the Europe, Middle East, and Africa regions.⁸

IFRS Foundation
Opernplatz 14
60313 Frankfurt am Main
Germany

7,8 - IFRS. (n.d.). *IFRS - Find out more.*

<https://www.ifrs.org/about-us/contact-us/#our-locations>

Defined terms⁹



IFRS Sustainability Disclosure Standards

Standards of that name issued by the International Sustainability Standards Board.



Business model

An entity's system of transforming inputs through its activities into outputs and outcomes that aim 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.



Material information

In the context of sustainability-related financial disclosures, information is material if omitting, mis-stating or obscuring that information could reasonably be expected to influence decisions that primary users of general-purpose financial reports make on the basis of those reports, which include financial statements and sustainability-related financial disclosures and which provide information about a specific reporting entity.

Defined terms¹⁰



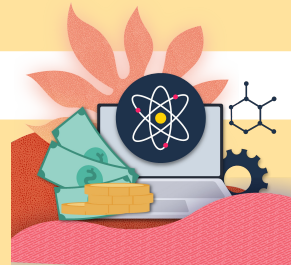
Disclosure topic

A specific sustainability-related risk or opportunity based on the activities conducted by entities within a particular industry as set out in an IFRS Sustainability Disclosure Standards or an SASB Standard.



Primary users

Primary users of general purpose financial reports like existing and potential investors, lenders, and other creditors.



Reporting entity

An entity that is required, or chooses, to prepare general-purpose financial statements.

Keep enough time aside for your report!

Organizations reporting for the first time will need more time.

The **Data gathering Tool - IFRS Sustainability Disclosure Standards** is specially designed for practitioners to gather relevant information as per the IFRS Sustainability Disclosure Standards.

To be efficient, use the Microsoft Sustainability Manager - a solution designed to help automate sustainability management in an organization, and enables it to efficiently record, report, and reduce its waste, water and emissions impact.¹¹ This streamlines the functionality of reporting for the organization on sustainability. For more information on the solution, [click here](#).



¹¹ - Microsoft. (2023, September 29). *Microsoft Sustainability Manager overview*. Microsoft Cloud for Sustainability | Microsoft Learn. <https://learn.microsoft.com/en-us/industry/sustainability/sustainability-manager-overview>