30 June 2026 Sustainability Reporting Jurisdictional Update

International Sustainability Reporting Bulletin

ISRB 2026/06

July 2026

CONTENTS

Background

The International Sustainability Standards Board (ISSB) and other standard setters and regulators in major jurisdictions have been very active since 2023, 2004, 2025 and in 2026 by beginning to bring sustainability reporting frameworks into laws and regulations and by planning to and publishing consultations on proposed requirements and/or a proposed roadmap.

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 also issues periodic International Sustainability Reporting (ISR) Bulletin sustainability reporting updates as sustainability standards are evolving quickly. 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 overview of recent developments in sustainability reporting and climate-related regulations at the International Financial Reporting Standards Foundation and in the EU and the US highlights a growing global momentum towards standardised and mandatory disclosure of environmental, social, and governance information by companies.

In the European Union (EU), the European Commission (EC) advanced its reporting simplification agenda by adopting revised European Sustainability Reporting Standards (ESRS) and a new voluntary sustainability reporting standard for smaller companies not subject to the Corporate Sustainability Reporting Directive (CSRD). The EC has also proposed targeted amendments to the EU Taxonomy Climate and Environmental Delegated Acts to simplify and improve the usability of the technical screening criteria. The proposals remain subject to adoption and are not yet in force.

Jurisdictions on the adoption journey of 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) (ISSB Standards), include but are not limited to UK, Australia, Singapore, Indonesia, Türkiye, Japan, South Korea, Ethiopia, Nigeria, Zimbabwe, Kuwait, Nepal, New Zealand, Bangladesh and Canada. There are currently open consultations on sustainability disclosure in New Zealand and Singapore while most of the jurisdictions noted above have finalised their sustainability reporting requirements aligned with the ISSB standards.

In the US, California is progressing with climate disclosure implementation by proposing a three-month extension to the initial SB 253 reporting deadline and clarifying requirements, while the U.S. Securities and Exchange Commission (SEC) has proposed rescinding its federal climate-related disclosure rules.

Major recent events in jurisdictional sustainability reporting

The following is a summary of some of the key recent sustainability reporting developments in various jurisdictions. Note that this list is not exhaustive:

PROJECT	SUMMARY
European Union	The EU's Omnibus I package, introduced by the EC in February 2025 and finalised in February 2026, significantly simplifies and reduces the scope of EU sustainability reporting and due diligence requirements, including changes to the CSRD, ESRS, EU Taxonomy Regulation and Corporate Sustainability Due Diligence Directive (CSDDD). Throughout 2026, the EC advanced the reform agenda by consulting on revised ESRS and a voluntary sustainability reporting standard, publishing stakeholder feedback, and ultimately adopting the revised ESRS and a new voluntary standard for smaller companies outside the CSRD scope in July 2026. BDO supported member firms through these developments with a webcast on the practical implications of the changes and published articles outlining the key amendments and next steps. EC launches public consultations on revised ESRS and on voluntary standard for sustainability reporting EC adopts delegated acts on revised ESRSs and on voluntary standard for sustainability reporting
	The EC proposed targeted amendments to the EU Taxonomy Climate and Environmental Delegated Acts to improve the usability of technical screening criteria and issued final frequently asked questions (FAQ) guidance to support the implementation of recent Taxonomy disclosure amendments, reduce reporting burdens, and enhance comparability of disclosures.
United States	California's climate disclosure regime continues to evolve, with the California Air Resources Board (CARB) proposing to extend the initial SB 253 reporting deadline from 10 August to 10 November 2026 and clarify certain requirements through regulatory amendments. At the same time, legal challenges remain ongoing, with enforcement of SB 261 currently stayed pending appeal, while SB 253 remains in effect. Companies within the scope of SB 253 should continue preparing for Scope 1 and Scope 2 emissions reporting while monitoring further regulatory and legal developments.
	In May 2026, the U.S. SEC proposed rescinding its climate-related disclosure rules, concluding that the requirements exceeded its statutory authority. If finalised, the proposal would remove mandatory federal climate risk and Scope 1 and Scope 2 greenhouse gas emissions (GHG) disclosure requirements for public companies. However, companies remain subject to the SEC's 2010 Climate Change Disclosure Guidance where climate-related matters are material, while climate disclosure requirements continue to apply under California law and in a number of jurisdictions globally.

Jurisdictional update – European Union

In February 2025, the EC released a set of proposed changes to simplify sustainability and due diligence reporting ('Omnibus I'), including simplifying ESRS issued in December 2023. The proposals include changes to the scope and timing of adoption of the CSRD, EU Taxonomy Regulation and the CSDDD. These proposals would significantly affect the scope and extent of sustainability reporting requirements in the EU.

On 26 February 2026, the EU published the final Omnibus changes in the EU Official Journal. The directive amends the audit directive, accounting directive, CSRD, and CSDDD. Its publication follows approval of the provisional text by the European Parliament (EP) in December 2025 and approval by the Council of the European Union (EU) on 24 February 2026. The directive entered into force on the 20th day after its publication, on 18 March 2026.

BDO held a webcast '*3 February 2026 IFRA webcast 'Sustainability reporting after the Omnibus I – key takeaways*'' on the effects of the EU Omnibus changes following the EP's approval of a provisional agreement to simplify and reduce the scope of sustainability reporting and due diligence obligations for companies, which marks the conclusion of the 'Omnibus I' package, introduced by the EC in February 2025 to streamline these requirements. The webcast focused on the key takeaways in relation to the CSRD as this is an area of significant interest to BDO firms, with a focus on the effects of the scoping changes (i.e., turnover and employee thresholds). It explored what is changing, what is not changing, and what information remains uncertain.

EC's public consultations on revised ESRS and on voluntary standard for sustainability reporting

On 6 May 2026, the EC issued a draft delegated act on the revised ESRS and launched consultations on both the revised ESRS and a voluntary sustainability reporting standard to simplify EU reporting requirements.

BDO published a web article with further details on the main changes, next steps and text of the revised ESRS and a voluntary sustainability reporting standard:

EC launches public consultations on revised ESRS and on voluntary standard for sustainability reporting

On 3 June 2026, the EC has released the comment letters received in response to its consultations on revised ESRS and on a sustainability reporting standard for voluntary use. This includes comment letters from the GRI, the TNFD and Accountancy Europe.

EC adopts delegated acts on revised ESRSs and on voluntary standard for sustainability reporting

On 3 July 2026, the EC adopted revised ESRS and a new voluntary sustainability reporting standard for smaller companies outside the scope of the CSRD as part of its Omnibus I package to simplify EU reporting requirements.

BDO published a web article with details on the main changes, next steps and text of the revised ESRS and the voluntary sustainability reporting standard:

EC adopts delegated acts on revised ESRSs and on voluntary standard for sustainability reporting

ESRS-40a

EFRAG consults on ESRS for Certain Non-EU Undertakings in Accordance with Article 40a of the Accounting Directive

On 23 July 2026, EFRAG has published an exposure draft of the 'ESRS for Certain Non-EU Undertakings in Accordance with Article 40a of the Accounting Directive' ('ESRS-40a'), which is open for feedback until 31 October 2026.

The proposed standards are intended for non-EU groups with significant operations in the EU, specifically for EU subsidiaries or branches with a non-EU parent where the net turnover of the subsidiary or branch exceeds EUR 200m in the preceding fiscal year and where the non-EU group revenue exceeds EUR 450m in the EU in each of the last two years.

The proposed standards would apply on a mandatory basis to financial years beginning on or after 1 January 2028.

The draft ESRS-40a was developed in response to Article 40a of the Accounting Directive, which requires sustainability reporting by certain EU subsidiaries and branches of non-EU parent companies.

While draft ESRS-40a retains the same 12-standards structure as the revised ESRS adopted by the EC in July 2026, it introduces several differences. Notably, it focuses on reporting impacts rather than risks, opportunities, resilience and dependencies, allows non-climate disclosures to be limited to EU-related impacts only, and does not include EU Taxonomy-related disclosures.

EFRAG will use feedback on the exposure draft to develop its final technical advice to the EC.

Supporting materials, including a comparison with the full ESRS, a log of amendments, webinar recordings and FAQs, are available on EFRAG's website at the link and Basis for Conclusions is available at the link.

Accountancy Europe calls for clarity and equivalence in ESRS-40a

Accountancy Europe has submitted a letter to EFRAG outlining preliminary observations on the forthcoming ESRS-40a. It highlights uncertainties in the CSRD that are still being transposed across EU Member States and may affect the development of the standard. The letter also challenges the proposed approach whereby climate-related impacts would be reported globally, while other sustainability impacts would be limited to those linked to products and services sold in the EU. In addition, Accountancy Europe proposes the EC to consider equivalence mechanisms to prevent double reporting, reduce costs, maintain the competitiveness of EU businesses, and ensure that non-EU entities within the scope of the CSRD's extraterritorial regime would remain subject to its requirements.

EFRAG webinar on draft ESRS-TC

EFRAG has released a webinar on the draft ESRS-40a on 22 July 2026. The sessions covered the legal context and reporting requirements in accordance with Article 40a of the CSRD, as well as the forthcoming exposure draft of the standard.

EU Taxonomy

EC proposes amendments to EU Taxonomy climate and environmental delegated acts

The EC has released draft Commission Delegated Regulations proposing targeted amendments to the EU Taxonomy Climate and Environmental Delegated Acts as regards enhancing the usability of the technical screening criteria. The public consultation period closed on 14 April 2026.

The amendments are not yet adopted and not in force until it is published in the EU Official Journal.

EC issues final FAQ guidance on EU Taxonomy disclosure amendments

On 30 April 2026, the EC has released its notice on interpretative and implementation guidance on the amendments to the EU Taxonomy Disclosures Delegated Act introduced by the Omnibus Delegated Act.

Issued as FAQs, the notice aims to support stakeholders in complying with the requirements in a cost-effective manner, reduce reporting burdens, and enhance the usability and comparability of disclosed information.

Jurisdictional update - United States of America

California Climate Legislation

In February 2026, the CARB adopted the initial regulation implementing the state's climate disclosure laws SB 253 and SB 261, which established a first-year SB 253 compliance deadline of 10 August 2026.

In late June, CARB announced it is proposing to extend the initial SB 253 deadline by three months to 10 November 2026 and will revise the initial regulation to clarify certain requirements. Once formally proposed, these updates will be subject to a 15-day public comment period.

SB 253 and SB 261 have been challenged in federal court with an appeal currently pending before the U.S. Court of Appeals for the Ninth Circuit. In November 2025, the court issued an injunction staying enforcement of SB 261, the state's climate-related financial risk reporting rule, pending resolution of the appeal. The injunction does not currently extend to SB 253. In January 2026, the court conducted a hearing but did not issue a ruling or a timeline for its decision.

Companies subject to SB 253 should continue preparing for Scope 1 and Scope 2 emissions reporting while monitoring forthcoming regulatory updates.

SEC Climate Disclosure Rules

In May 2026, the SEC proposed to rescind its climate-related disclosure rules after concluding they exceed the scope of its statutory authority. The proposal is open for public comment through 3 August 2026. The proposal would officially eliminate mandatory federal requirements for climate risk disclosures and Scope 1 and Scope 2 GHG emissions reporting for public companies.

While the SEC is moving away from prescriptive climate disclosure rules, public companies remain subject to the SEC's 2010 Climate Change Disclosure Guidance, which requires climate related disclosures when material. Climate disclosure regulations remain in effect in California and in global jurisdictions.

See a summary of the final climate rules that were adopted in March 2024 and the legal activity that has followed.

Other jurisdictional updates

Jurisdictional profiles

According to the IFRS Foundation, nearly 40 jurisdictions are progressing with the ISSB standards, either through adoption or ongoing integration into their regulatory frameworks.

The IFRS Foundation has released 22 jurisdictional profiles to provide transparency and evidence of progress towards the adoption of the ISSB standards. The profiles detail each jurisdiction's targets and current status regarding sustainability-related disclosure requirements, providing a clear picture of global progress towards a global baseline for sustainability disclosures for capital markets.

Additionally, 14 snapshots provide an overview of other jurisdictions' regulatory approaches still under finalisation.

ISSB Jurisdictional Rationale Guide: supporting global adoption

The ISSB has launched at the IFRS Sustainability Symposium the release of a *Jurisdictional Rationale Guide for the adoption or other use of ISSB standards* to assist jurisdictions in evaluating the adoption or other use of ISSB standards.

JURISDICTION	SUMMARY	MORE INFORMATION
Australia	**ASIC observations on early sustainability reporting** The Australian Securities and Investments Commission (ASIC) has released observations from the first sustainability reports prepared under Chapter 2M of the Australian Corporations Act 2001, aimed at supporting entities ahead of the 30 June 2026 reporting season. ASIC notes a clear improvement in both the volume and quality of climate-related financial disclosures compared to earlier voluntary reporting. The introduction of standardised requirements has enhanced consistency and comparability across the market. However, ASIC also highlights areas where reporting can be further strengthened and provides guidance for entities to consider when preparing future reports.	ASIC observations on early sustainability reporting
	ASIC Launches Introductory E-learning Modules on Sustainability Reporting The ASIC, in collaboration with the Australian Accounting Standards Board (AASB), has released its first three e-learning modules on sustainability reporting to support entities expected to start sustainability reporting for financial years beginning on or after 1 July 2026. The modules introduce the new Corporations Act requirements, outline climate change fundamentals, and explain climate-related physical risks.	ASIC e-learning educational modules on sustainability reporting
Bangladesh	The Financial Reporting Council (FRC) of Bangladesh has formally adopted IFRS S1 and IFRS S2. While publicly traded entities are required to apply IFRS Accounting Standards as adopted by the FRC, IFRS S1 and IFRS S2 are not yet mandatory. However, sustainability reporting requirements based on these standards, previously applicable to banks and finance companies according to the guideline from the Bangladeshi Bank from December 2023, have now been extended to listed entities in Bangladesh.	Guideline from the Bangladeshi Bank Guidance

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<tr><th>JURISDICTION</th><th>SUMMARY</th><th>MORE INFORMATION</th></tr>
<tr><td>Boursa Kuwait</td><td>The Kuwaiti Stock Exchange (Boursa Kuwait) has issued an updated ESG Disclosure Guide for listed companies to reflect recent local and global developments in sustainability reporting.

The revised guide aligns with internationally recognised sustainability reporting frameworks, including the ISSB standards, and provides enhanced practical guidance on key areas such as climate scenario analysis, transition planning, disclosure of Scope 3 GHG emissions and materiality assessments.</td><td>ESG Disclosure Guide for listed companies</td></tr>
<tr><td>Canada</td><td>Business Future Pathways Canada has launched a consultation on a draft methodology report that will underpin Canada's voluntary sustainable finance taxonomy, with comments open until 13 August 2026.

The proposal invites feedback on key elements, including the taxonomy's categories ('green', 'transition' and 'abatement') and their definitions, technical criteria (i.e., rules for eligibility), and environmental and social safeguards.

Designed to support sustainable investment and reduce greenwashing, the taxonomy aims to provide clear, science-based definitions of economic activities that contribute to Canada's transition to a net-zero economy by 2050.

The first phase will focus on six major sectors (electricity, buildings, transportation, mining, manufacturing and agriculture/forestry), with draft guidelines for electricity, buildings and transportation expected before the end of 2026 and full sector guidance targeted for completion by 2027.</td><td>Draft Canadian Sustainable Finance Taxonomy: Methodology Report</td></tr>
<tr><td>Ethiopia</td><td>The Accounting and Auditing Board of Ethiopia (AABE) has issued a consultation on a draft roadmap to adopt ISSB standards, with comments closed on 25 March 2026.

The roadmap proposes a phased rollout across four groups of entities:
▶ Group 1: Select large entities
▶ Group 2: Other large entities, Tier 2 financial institutions and federal state-owned entities
▶ Group 3: Other listed entities, other financial institutions, medium-sized entities and regional state-owned entities
▶ Group 4: Other IFRS issuers

Each group would progress through four reporting phases:
▶ Phase 1 – Initial reporting: Narrative climate-related disclosures aligned with IFRS S2, with additional reliefs.
▶ Phase 2 – Intermediate reporting: Expanded climate-related disclosures requirements with fewer additional reliefs and limited quantitative data.
▶ Phase 3 – Full reporting with transition reliefs: Implementation of IFRS S1 and IFRS S2 using available transition reliefs.
▶ Phase 4 – Full ISSB compliance: Complete compliance with IFRS S1 and IFRS S2, without transition reliefs.</td><td></td></tr>
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JURISDICTION	SUMMARY	MORE INFORMATION
	Proposed timelines by group: ▶ Group 1: 2026–2029 ▶ Group 2: 2027–2030 ▶ Group 3: 2028–2031 ▶ Group 4: 2029–2032 No assurance is required during Phases 1–3. From Phase 4, entities are required to obtain limited assurance in line with International Standard on Sustainability Assurance (ISSA) 5000 *General Requirements for Sustainability Assurance Engagements* (ISSA 5000), covering all disclosures required in the ISSB standards. After a maximum of two years of limited assurance (Phase 4 plus one year), entities would be required to move to reasonable assurance.	
Indonesia	The Indonesia Financial Services Authority (OJK) has issued a sustainability disclosure consultation in Indonesia '*The Implementation of Sustainable Finance for Financial Sector Business Entities, Issuers and Public Companies*'. The consultation is in relation to proposed sustainable finance regulations for financial sector entities, issuers, and public companies. The rules would require in-scope entities to prepare a sustainability report aligned with IFRS S1 and IFRS S2, using PSPK 1 *General Requirements for Disclosure of Sustainability-related Financial Information* and PSPK 2 *Climate-related Disclosures*, published by the Institute of Indonesia Chartered Accountants in July 2025. In-scope entities would also be required to develop transition plans to manage sustainability-related risks and opportunities and to meet sustainability-related targets. The sustainability reporting requirements would be phased in from 2027 to 2029, depending on the type of entity and market classification, starting with main board issuers, stock exchanges, and larger banks, and later extending to issuers and public companies on the development board and on the special monitoring board, smaller banks, certain public entities, and large investment managers. Sustainability reports would be subject to independent third-party assurance in accordance with applicable sustainability disclosure assurance standards. The comment period ended on 13 March 2026.	Consultation

JURISDICTION	SUMMARY	MORE INFORMATION
Japan	**Japanese regulator finalises ISSB aligned sustainability reporting requirements** The Japanese Financial Services Agency (FSA) finalised amendments to the Cabinet Office Order and related disclosure guidelines, that requires sustainability reporting aligned with ISSB standards. The changes follow a public consultation by the FSA that concluded in December 2025. According to the Cabinet Office Order, companies listed on the Tokyo Stock Exchange Prime Market with an average market capitalisation of at least 1 trillion yen will be required to include sustainability disclosures in their annual securities reports in line with the sustainability disclosure standards published by the Sustainability Standards Board of Japan (SSBJ standards). For the first two fiscal years, entities may defer sustainability related financial disclosures and instead submit the information later through an amendment report with relevant sustainability-related information in the semi-annual securities report for the subsequent fiscal year, under a two step disclosure approach. The rules require companies to explain the reasoning processes and internal procedures used for forward looking information and quantitative Scope 3 GHG disclosures. The requirements will apply from fiscal years ending on or after 31 March 2027 for entities with an average market capitalisation of 3 trillion yen or more, and from fiscal years ending on or after 31 March 2028 for entities with a market capitalisation between 1 trillion and 3 trillion yen.	Press release
	SSBJ confirms continued alignment with ISSB standards The SSBJ has published an updated comparison of SSBJ and ISSB Standards, reflecting recent amendments to *Amendments to GHG Emissions Disclosures (Amendments to IFRS S2)* issued by the ISSB in December 2025 and in *Amendments to GHG Emissions Disclosures* issued by SSBJ in March 2026. The update confirms that alignment between the two sets of standards has been maintained.	Comparison of SSBJ and ISSB Standards
Nepal	The Accounting Standards Board (ASB) of Nepal has issued two exposure drafts for NFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and NFRS S2 *Climate-related Disclosures*, based on IFRS S1 and S2. This follows a prior consultation launched in July 2025 on adopting ISSB-aligned standards. Stakeholders were invited to comment on the proposed standards by 6 June 2026, with the exposure drafts available via the press release (in Nepalese).	Press release

JURISDICTION	SUMMARY	MORE INFORMATION
New Zealand	**Proposed NZ CS 1 Amendments** Stakeholders had until 29 July 2026 to comment on proposed amendments to NZ CS 1 *Climate-related Disclosures* (NZ CS 1) that would align Scope 3 investment-related emissions disclosures with international approaches and enhance guidance on emissions exclusions, aiming to reduce reporting complexity while maintaining transparency.	XRB press release
	New Zealand standard setter proposes adoption of IFRS S2 The New Zealand External Reporting Board (XRB) has initiated a consultation on a draft roadmap proposing issuing a new climate reporting standard NZ IFRS S2 *Climate-related Disclosures* on the basis of IFRS S2 and harmonised with the climate reporting obligations in Australia under AASB S2 *Climate-related Disclosures* and the Australian Corporations Act 2001, while incorporating New Zealand-specific adaptations. The comment period ends on 30 September 2026. The roadmap envisages consultation and targeted amendments in 2026, issuance of NZ IFRS S2 in 2027, optional early adoption of NZ IFRS S2 between 2028 and 2032, and mandatory application of NZ IFRS S2 from 2033. Existing greenhouse gas assurance requirements are not affected by the draft roadmap.	Consultation document Draft climate reporting roadmap
	FMA publishes updated guidance on sustainability-related disclosures The New Zealand Financial Markets Authority (FMA) has published updated guidance to clarify good practice for disclosing and communicating sustainability-related characteristics of financial products. The guidance explains how existing fair-dealing and disclosure requirements apply when such sustainability-related characteristics are promoted. While revisions have been made to the draft guidance following consultation feedback, its core principles remain unchanged.	Press release on updated guidance on sustainability-related disclosures
Nigeria	The Financial Reporting Council (FRC) of Nigeria has released a revised roadmap for adopting ISSB standards, alongside Sustainability Reporting Guideline (SRG) 1. The roadmap, originally issued in April 2024 and consulted on in January 2026, has been updated to reflect recent amendments to IFRS S2 and to clarify reporting timelines, assurance requirements and the types of professionals permitted to prepare sustainability reports for general-purpose financial reporting and corporate disclosures. According to the revised roadmap, public entities and government bodies will be required to apply IFRS S1 and IFRS S2 from 1 January 2028, while small and medium-sized entities will begin reporting from 1 January 2031. Limited assurance will apply in the fourth and fifth reporting years, progressing to reasonable assurance from the sixth year of reporting. Disclosures such as Scope 3 GHG emissions, scenario analysis and transition plans will be subject to limited assurance from year six of reporting and reasonable assurance from year seven of reporting.	Press release Revised roadmap for adoption of the ISSB standards Sustainability reporting guideline

JURISDICTION	SUMMARY	MORE INFORMATION
	SRG 1 provides practical guidance on adoption methodologies, including the adoption readiness test assessment to help entities assess their readiness to comply with ISSB standards.	
Singapore	The Accounting and Corporate Regulatory Authority (ACRA)'s Interim Sustainability Standards Committee (Interim SSC) has launched a public consultation on the draft Singapore Sustainability Disclosure Standards, open from 27 July to 25 October 2026. The proposed standards are based on the ISSB Standards, with targeted modifications to reflect Singapore's 'climate-first approach' and implementation roadmap. The proposed standards comprise: ▶ SFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* (SFRS S1), based on IFRS S1 (voluntary); and ▶ SFRS S2 *Climate-related Disclosures* (SFRS S2), based on IFRS S2 (mandatory). Key proposed adjustments to the ISSB Standards include: Structure of the standards ▶ Climate-related requirements from SFRS S1 would be incorporated into an appendix to SFRS S2, allowing SFRS S2 to operate as a standalone climate reporting standard. ▶ Companies subject to mandatory climate reporting would only need to apply SFRS S2, while SFRS S1 would remain voluntary. Transition reliefs ▶ Companies would be required to publish climate-related disclosures at the same time as their financial statements; therefore, the ISSB's first-year timing relief would not be adopted. ▶ The ISSB's climate-first relief would not be included, as Singapore's framework already makes only climate-related disclosures mandatory. ▶ The ISSB's first-year 'Scope 3 relief' would be extended as an ongoing relief for entities that are not subject to mandatory Scope 3 reporting under Singapore's phased implementation approach. Statement of compliance ▶ Companies would be required to include an explicit and unreserved statement of compliance with SFRS S2, reinforcing accountability and transparency. References to Sustainability Accounting Standards Board (SASB) materials ▶ Unlike the ISSB Standards, which require entities to refer to and consider the applicability of SASB materials, the Singapore standards would make such references optional, providing companies with greater flexibility as the SASB materials continue to evolve. Stakeholders are invited to provide feedback on the draft standards before they are finalised.	Press release on public consultation

JURISDICTION	SUMMARY	MORE INFORMATION
	Singapore NCSS issues guidance on social impact metrics for sustainability reporting The Singapore National Council of Social Services (NCSS) has released new Guidelines for Social Impact Metrics in Corporate Sustainability Reporting. The guidance aims to help organisations measure, monitor and disclose social impact within the social pillar of sustainability reporting. It sets out a structured approach to determining the materiality of social impacts, selecting metrics to measure and monitor social impact efforts, and communicating social outcomes in sustainability disclosures.	Guidelines for Social Impact Metrics in Corporate Sustainability Reporting
South Korea	The Korean Government has released its final roadmap for sustainability reporting based on Korean Sustainability Standards Board (KSSB) 1 *General Requirements* and KSSB 2 *Climate-related Disclosures*, which are aligned with IFRS S1 and IFRS S2. Reporting will become mandatory from 2027 for Korea Composite Stock Price Index (KOSPI) listed companies with consolidated total assets of KRW 10 trillion or more, with phased expansion to KOSPI-listed companies with consolidated total assets of KRW 5 trillion or more from 2028. Transitional relief for the first year of reporting includes exemptions for certain smaller subsidiaries in the first year, delayed Scope 3 GHG emissions reporting until 2030, and a three-year penalty exemption period for the first years of reporting, excluding greenwashing offences. Sustainability disclosures are required to be included in the annual report, and mandatory assurance will apply two years after reporting requirements take effect.	Press release
Türkiye	Corporate Disclosures has released a study examining the first year of mandatory reporting under the ISSB-aligned Turkish Sustainability Reporting Standards. The study identifies a strong level of formal compliance with the new requirements, alongside certain variations, particularly in materiality assessments, climate scenarios, emissions measurement boundaries and carbon emission reduction plans. The authors attribute these differences to the flexibility embedded in the standards. Their findings raise broader questions about whether such flexibility in ISSB standards may constrain comparability between reports, especially during the early stages of adoption.	Full study

JURISDICTION	SUMMARY	MORE INFORMATION
United Kingdom	On 25 February 2026, the Department for Business and Trade published the UK Sustainability Reporting Standards (UK SRS), marking a significant step in the evolution of UK corporate reporting. UK SRS establish a national framework for sustainability disclosures, closely aligned with the ISSB's first IFRS Sustainability Disclosure Standards, ensuring international comparability while reflecting UK-specific priorities. Building on the foundations of the now disbanded TCFD, the standards introduce more detailed disclosure requirements across governance, strategy, risk management, and metrics, with the aim of providing investors and stakeholders with consistent, decision useful information.	FRC project page UK SRS guidance page UK Sustainability Reporting Standards: UK SRS S1 and UK SRS S2
	FCA consults on aligning UK sustainability reporting with ISSB standards The UK Financial Conduct Authority (FCA) launched a consultation on amending rules to require UK listed companies to prepare sustainability reporting in accordance with the UK SRS, which are based largely on IFRS S1 and IFRS S2. The consultation period closed on 20 March 2026. The FCA proposes replacing existing TCFD aligned rules with requirements for in-scope listed companies to report in accordance with the UK SRS, when these standards are finalised by the Department for Business and Trade (DBT). Based on the proposal, requirement for mandatory reporting would be in accordance with UK SRS S2 *Climate-related disclosures*, whereas Scope 3 emissions and UK SRS S1 *General requirements for disclosure of sustainability-related financial information* would be required following a ‘comply-or-explain’ approach. The amended rules would take effect for reporting periods beginning on or after 1 January 2027.	FCA consultation document on aligning UK sustainability reporting with ISSB standards
	FCA consultation on streamlining climate disclosure rules The UK FCA has issued a consultation proposing changes to its climate disclosure requirements for asset managers, life insurers, and FCA-regulated pension providers. While retaining the existing scope, the FCA suggests removing the TCFD-aligned product reporting and replacing it with a more focused, outcomes-based approach. The consultation closed on 13 July 2026.	FCA consultation document on streamlining climate disclosure rules

JURISDICTION	SUMMARY	MORE INFORMATION
Zimbabwe	The Zimbabwean Public Accountants and Auditors Board (PAAB) has issued a draft roadmap for adopting IFRS S1 and IFRS S2, with comment period closed on 18 March 2026. The draft roadmap groups entities into four categories and proposes a phased implementation: ▶ Category 1 (listed companies, banking institutions and building societies, state-owned enterprises applying IFRS Accounting Standards, high environmental impact entities applying IFRS Accounting Standards): mandatory phased adoption from 2026, gradually moving to full application by 2029. ▶ Category 2 (non-listed insurance and reinsurance companies, life and funeral assurers, deposit-taking microfinance institutions, pension funds, public interest entities that are not in Categories 1, 3 or 4): mandatory phased adoption from 2027, gradually reaching full application by 2030. ▶ Category 3 (non-deposit-taking microfinance institutions, micro-insurance entities, entities without public interest): mandatory phased adoption from 2027, gradually reaching full application by 2031. ▶ Category 4 (public-sector entities applying the International Public Sector Accounting Standards (IPSAS)): mandatory phased adoption of IPSAS sustainability reporting standards from 2028, with a separate public-sector roadmap to follow. The draft also sets out assurance requirements based on the ISSA 5000: ▶ Category 1: limited assurance from 2028, reasonable assurance from 2030 ▶ Category 2: limited assurance from 2029, reasonable assurance from 2031 ▶ Category 3: limited assurance from 2030, reasonable assurance from 2032 ▶ No assurance requirements are proposed for Category 4 at this stage.	

Sustainability reporting resources

International Sustainability Reporting Bulletin 2026/05 30 June 2026 Sustainability Reporting Update BDO has published

BDO has published *International Sustainability Reporting Bulletin 2025/05 30 June 2026 Sustainability Reporting Update*. This publication provides a 'snapshot' of sustainability reporting developments with a focus on the updates related to the ISSB's IFRS Sustainability Disclosure Standards – IFRS S1 and IFRS S2 and the ESRS adopted by the EC on 31 July 2023 as well as other organisations.

BDO published Sustainability reporting after Omnibus I - Key takeaways

Sustainability reporting after Omnibus I - Key takeaways provides an overview of sustainability reporting developments with a focus on the effects of the first Omnibus package which was approved by the EP in December 2025, with the aim of simplifying and streamlining reporting requirements of the CSRD, the EU Taxonomy regulation, and CSDDD while maintaining transparency and compliance that is consistent with the European Green Deal.

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

2024 was the first year in which companies were 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 ISRB 2026/03 CSRD scope for EU and non-EU companies

ISRB 2026/03 CSRD scope for EU and non-EU companies provides a 'snapshot' of the CSRD scope for EU and non-EU companies after Omnibus I changes which were approved by the European Parliament on 16 December 2025.

Illustrative Sustainability Report - IFRS Sustainability Disclosure Standards

BDO has published its inaugural illustrative sustainability report prepared in accordance with IFRS Sustainability Disclosure Standards for the year-ended 31 December 2025. This publication illustrates how IFRS Sustainability Disclosure Standards may be applied to a medium-sized enterprise and focuses on climate-related risks and opportunities.

Sustainability At a Glance - IFRS Sustainability Disclosure Standards

IFRS S1 and IFRS 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 IFRS 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, Scope 2 and Scope 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 US SEC and state legislation, please refer to BDO US's Sustainability and ESG site.

www.bdo.global

FOR MORE INFORMATION:

Sustainability Reporting Policy Committee