# Article information:

IFRS S2 — Climate-related Disclosures  
<https://www.iasplus.com/en/standards/ifrs-sds/ifrs-s2>

# Article summary:

1. IFRS S2 sets out the requirements for identifying, measuring, and disclosing climate-related risks and opportunities in financial reports.

2. The standard was issued in June 2023 and applies to annual reporting periods beginning on or after January 1, 2024.

3. The standard covers governance, strategy, risk management, and metrics/targets related to climate-related disclosures. It requires entities to disclose information about their governance processes, assess the effects of climate-related risks on their business models, and disclose relevant metrics such as greenhouse gas emissions.

# Article rating:

May be slightly imbalanced: The article presents the information in a generally reliable way, but there are minor points of consideration that could be explored further or claims that are not fully backed by appropriate evidence. Some perspectives may also be omitted, and you are encouraged to use the research topics section to explore the topic further.

# Article analysis:

The article provides an overview of IFRS S2, which sets out the requirements for identifying, measuring, and disclosing climate-related risks and opportunities in financial reports. It outlines the history of the standard's development and its scope, objectives, and governance requirements.

One potential bias in the article is its focus on the benefits of climate-related disclosures without adequately addressing any potential drawbacks or challenges. While it mentions that comments were requested during the consultation period, it does not provide any information on what those comments were or how they were addressed in the final standard. This lack of transparency raises questions about whether all perspectives were considered in the development of IFRS S2.

Additionally, the article does not provide any evidence or examples to support its claims about the usefulness of climate-related disclosures to users of financial reports. It assumes that such disclosures are inherently valuable without considering potential costs or unintended consequences.

Furthermore, there is a lack of discussion on potential counterarguments or criticisms of climate-related disclosures. For example, some may argue that these disclosures could be burdensome for companies to produce and may not provide meaningful information to investors. Without addressing these counterarguments, the article presents a one-sided view of the topic.

The article also lacks detail on specific metrics and targets required by IFRS S2. It briefly mentions that entities are required to disclose information relevant to cross-industry metric categories but does not provide any further explanation or examples. This omission makes it difficult for readers to fully understand what is expected under the standard.

Overall, while the article provides a basic overview of IFRS S2, it lacks depth and fails to address potential biases or limitations in its reporting. It would benefit from providing more balanced analysis and supporting evidence for its claims.

# Topics for further research:

* Criticisms of climate-related disclosures in financial reports
* Challenges of implementing IFRS S2 for companies
* Perspectives on the potential costs of climate-related disclosures
* Unintended consequences of climate-related disclosures in financial reports
* Specific metrics and targets required by IFRS S2 for climate-related disclosures
* Stakeholder comments and feedback on IFRS S2 during the consultation period

# Report location:

<https://www.fullpicture.app/item/190544fc5a1ee4b435b13be964959de2>