

## UPDATED CLIMATE REPORTING REQUIREMENTS

### Amendments to Mainboard Rules Effective 25 August 2025

*Legend: Deletions are struck-through and insertions are underlined.*

#### Practice Note 7.6 Sustainability Reporting Guide

##### Climate-related disclosures

*Structure of the IFRS Sustainability Disclosure Standards and ~~baseline requirement~~ requirements on climate-related disclosures*

- 4.10 The core content of the IFRS Sustainability Disclosure Standards is structured in alignment with the four pillars of the TCFD recommendations: governance, strategy, risk management, and metrics and targets. Climate-related risks are associated with both physical risks (such as those arising from weather-related events like storms, floods or heatwaves and longer-term shifts in climatic patterns like sea level rise) and transition risks (arising from efforts to transition to a lower-carbon economy and may include policy, technological and reputational risks).
- 4.11 IFRS S1 sets out the general requirements for disclosure of sustainability-related financial information including the conceptual foundations, core content, general requirements and judgements, uncertainties and errors. IFRS S2 sets out supplementary requirements that relate specifically to climate-related risks and opportunities.
- 4.12 An issuer must make the following climate-related disclosures:
- (a) The issuer must disclose its Scope 1 and Scope 2 GHG emissions as set out in paragraph 29(a) of IFRS S2 from its financial year commencing on or after 1 January 2025 (“FYC” 2025).
  - (b) The issuer must provide climate-related disclosures that apply all the requirements in IFRS S2 (other than Scope 3 GHG emissions), according to the following timeline:
    - (i) if the issuer is a constituent of the Straits Times Index (“STI Constituent”) on 30 June 2025, from FYC 2025, even if it ceases to be an STI Constituent subsequently;
    - (ii) if the issuer has a market capitalisation of S\$1 billion or more as at close of market:
      - (A) on 30 June 2025, from FYC 2028; or
      - (B) on its listing date, if the listing date is after 30 June 2025, from the later of:
        - (I) FYC 2028; or
        - (II) its first full financial year after listing,
- even if its market capitalisation falls below S\$1 billion subsequently; and

(iii) for all other issuers, from FYC 2030.

As climate reporting is a continuing journey, the issuers specified in sub-paragraphs (ii) and (iii) should build on their existing climate-related disclosures, and demonstrate progress towards incorporating the climate-relevant provisions in the IFRS Sustainability Disclosure Standards according to the relevant timeline.

(c) If the issuer is an STI Constituent on 30 June 2025, it must disclose its Scope 3 GHG emissions from FYC 2026, even if it ceases to be an STI Constituent subsequently.

A summary of the requirements on climate-related disclosures is set out in the table below.

<u>Requirements on climate-related disclosures</u>	<u>Issuers</u>			
	<u>STI Constituent on 30 June 2025</u>	<u>Market capitalisation of S\$1 billion or more</u>		<u>All other issuers</u>
		<u>As at close of market on 30 June 2025</u>	<u>For issuers listed after 30 June 2025, as at close of market on listing date</u>	
<u>Scope 1 and Scope 2 GHG emissions</u>	<u>Mandatory from FYC 2025</u>			
<u>Scope 3 GHG emissions</u>	<u>Mandatory from FYC 2026</u>	<u>Voluntary</u>		
<u>Other climate-related disclosures that apply all the requirements in IFRS S2 (other than Scope 3 GHG emissions)</u>	<u>Mandatory from FYC 2025</u>	<u>Mandatory from FYC 2028</u>	<u>Mandatory from the later of (a) FYC 2028 or (b) its first full financial year after listing</u>	<u>Mandatory from FYC 2030</u>

~~The baseline requirement for issuers under the Listing Rules in respect of the disclosure of the primary component in Listing Rule 711B(1)(aa) is to disclose information on climate-related risks and opportunities that apply all the requirements in IFRS S2 (other than the disclosure of Scope 3 GHG emissions as set out in paragraph 4.23 of this Guide), and consequently apply the climate-relevant provisions in IFRS S1.~~

4.13 ~~Therefore, in~~ The Issuer must apply the climate-relevant provisions in IFRS S1 for the requirements applicable to it as specified in paragraph 4.12 of this Guide. In applying IFRS S1 for climate-related disclosures, an issuer should particularly refer to the objective, scope, conceptual foundations, general requirements, judgements and uncertainties and errors specified therein. Key concepts such as connected information, value chains, assessment of materiality and key requirements such as the reporting entity and timing and location of reporting are set out in IFRS S1. For example, materiality of information is judged in relation to whether omitting, misstating or obscuring the information could reasonably be expected to influence decisions of primary users of general purpose financial reports.

- 4.14 IFRS S1 requires entities that report their sustainability-related financial disclosures in accordance with the IFRS Sustainability Disclosure Standards to make an explicit and unreserved statement of compliance, which may not be made unless an entity complies with all the requirements, including the requirements in IFRS S1 applicable beyond climate-related disclosures. In this regard, issuers will not be required to make such a statement of compliance. [SGX RegCo-The Exchange](#) permits and encourages issuers of any size to use and fully apply the IFRS Sustainability Disclosure Standards. An issuer that complies with all the requirements in IFRS S1 and IFRS S2 can, but is not mandated to, make an explicit and unreserved statement of compliance with the IFRS Sustainability Disclosure Standards; an issuer that complies with all the requirements in IFRS S2 and the climate-relevant provisions in IFRS S1 can, but is not mandated to, state that it complies with the climate-related requirements in the IFRS Sustainability Disclosure Standards.
- 4.15 In the core content of IFRS S1, there are also specific paragraphs which ~~will~~may be relevant for the issuer including the elaboration of short-, medium- and long-term time horizons, trade-offs between sustainability-related risks and opportunities that an issuer considered and the objective of sustainability-related financial disclosures on risk management to enable users of general purpose financial report to assess an issuer's overall risk profile and its overall risk management process. [Issuers may avail themselves of guidance that the IFRS Foundation has published on reporting only climate-relevant provisions, as set out in paragraph 4.17 of this Guide.](#)

*ISSB guidance*

- 4.16 The ISSB has issued application guidance, which forms an integral part of the IFRS Sustainability Disclosure Standards, on, among others, the following topics:
- (a) identifying sustainability-related risks and opportunities and disclosing material information about such risks and opportunities;
  - (b) applying scenario analysis to assess climate resilience;
  - (c) measuring GHG emissions, including Scope 3 GHG emissions;
  - (d) disclosing information relevant to the cross-industry metric categories; and
  - (e) disclosing information about the climate-related targets that have been set or are required to be met by law or regulation.
- 4.17 In addition, the ISSB has also issued accompanying guidance containing illustrative guidance and illustrative examples to support companies in applying the IFRS Sustainability Disclosure Standards on, among others, the following topics:
- (a) [a guide on applying IFRS S1 when reporting only climate-related disclosures in accordance with IFRS S2, to help companies understand how to report only climate-related information using the IFRS Sustainability Disclosure Standards;](#)
  - (b) [a guide on GHG emissions disclosure requirements applying IFRS S2;](#)
  - ~~(a)-(c)~~ guidance on metrics that could be disclosed as part of information relevant to the cross-industry metric categories;

~~(b)-(d)~~ examples of disclosing GHG emissions applying the principles in IFRS S1 for aggregation and disaggregation; and

~~(c)-(e)~~ industry-based guidance on identifying appropriate disclosures about climate-related risks and opportunities that are associated with common business models and activities in a particular industry.

#### *Scope 3 GHG emissions*

4.21 [An issuer must disclose its Scope 3 GHG emissions, if applicable, pursuant to paragraph 4.12\(c\) of this Guide and in accordance with IFRS S2, which](#) requires disclosure of Scope 3 GHG emissions, and the approach used to measure such GHG emissions. Emissions must be measured in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards (2004), subject to the reliefs specified and to the extent that it does not conflict with the IFRS Sustainability Disclosure Standards. An issuer should consider the 15 categories of Scope 3 GHG emissions, as described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011) ("**Scope 3 Standard**"), to identify which categories are applicable to the issuer. The issuer might determine that not all categories are applicable to it and therefore disclose which of these categories are included in its Scope 3 GHG emissions. For example, an issuer may not have leased assets or franchises or may be unable to estimate Scope 3 GHG emissions due to a lack of data or other limiting factors, as described in the Scope 3 Standard.

4.22 The ISSB has also developed a Scope 3 measurement framework to provide additional guidance about measuring Scope 3 GHG emissions. While direct measurement and primary data is preferred, an issuer may still estimate Scope 3 GHG emissions based on assumptions and appropriate inputs and use secondary data under such framework. Primary data includes data provided by suppliers or other entities in the value chain from specific activities within an entity's value chain, while secondary data is not directly obtained. Secondary data is typically supplied by third-party providers and includes industry-average data.

4.23 ~~Recognising that the measurement and reporting methodologies of Scope 3 GHG emissions are still evolving, SGX RegCo will carry out an in-depth review of issuers' experience and readiness in reporting Scope 3 GHG emissions before setting out the implementation roadmap for disclosures of Scope 3 GHG emissions. In the implementation roadmap, larger issuers (e.g. issuers above a certain market capitalisation) will likely be prioritised for reporting. The intention is for larger issuers by market capitalisation to report Scope 3 GHG emissions from the financial year commencing on or after 1 January 2026. Ample notice will be given to issuers before reporting requirements come into effect.~~

Issuers that are [not required to report but are](#) already reporting their Scope 3 GHG emissions are encouraged to continue to do so. Issuers that have not yet reported on Scope 3 GHG emissions are encouraged to build up their capabilities [to report Scope 3 GHG emissions in the interim period](#).

#### *Industry-based metrics and cross-industry metrics*

4.27 IFRS S2 requires an issuer to disclose industry-based metrics that are associated with common business models and activities in a particular industry. When an issuer provides industry-based

metrics, it shall refer to and consider the relevant industry-based guidance to present fairly the climate-related risks and opportunities to which it is exposed.

4.28 In addition [to GHG emissions](#), IFRS S2 requires an issuer to disclose cross-industry metric categories including:

- (a) climate-related transition risks – the amount and percentage of assets or business activities vulnerable to transition risks;
- (b) climate-related physical risks – the amount and percentage of assets or business activities vulnerable to physical risks;
- (c) capital deployment – the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities; and
- (d) internal carbon prices used to assess the cost of emissions.

The industry-based guidance can assist issuers in meeting the requirements for disclosures related to cross-industry metric categories.

#### **Group and investment holding company reporting**

4.47 ~~Subject to paragraph 4.48 of this Guide, where~~ [Where](#) holding companies and operating subsidiaries are both listed and have to undertake sustainability reporting, the operating entities can report on the ESG factors within their scope of operations. If the ESG factors are also material to the holding company, [unless disallowed by the relevant sustainability reporting framework or standard](#), the holding company may make reference in its sustainability report to the sustainability reports of the operating subsidiaries. If the holding company has material investee companies which are not subsidiaries, its sustainability report should include the selection and management of these investee companies.

4.48 ~~IFRS S1 requires an issuer to provide disclosures required by the IFRS Sustainability Disclosure Standards as part of its general purpose financial reports. For climate related disclosures, an issuer may only make reference to other reports published by the same entity (and not the sustainability reports of its operating subsidiaries).~~

### **7. Implementation of Sustainability Reporting and Climate-related Disclosures**

7.1 For the first year of sustainability reporting, an issuer new to sustainability reporting should have at least the assessment of material ESG factors, policies and/or practices to address the factors; but if their reporting is lacking in qualitative or quantitative descriptions, they need only state progressive targets for reaching maturity of reporting and do their best to meet them in subsequent years.

7.2 For climate-related disclosures, an example of how issuers could report over a few years using the (permanent) structural reliefs and (temporary) transition reliefs in the IFRS Sustainability Disclosure Standards is illustrated in the table below. Issuers may decide on an implementation approach that best suits their circumstance and that complies with the listing requirements.

### Illustration of Possible Phased Approach

Year 1	Year 2	Year 3
Qualitative climate-related scenario analysis, with disclosure of reliance on the (permanent) structural reliefs**	Qualitative climate-related scenario analysis, with disclosure of reliance on the (permanent) structural reliefs**	Climate-related scenario analysis with more quantitative outcomes
Qualitative disclosure of current financial effects of climate-related risks or opportunities as the effects are not separately identifiable or the level of measurement uncertainty is high  Qualitative disclosure of anticipated financial effects of climate-related risks or opportunities, with disclosure of reliance on the (permanent) structural reliefs**	Qualitative disclosure of current financial effects of climate-related risks or opportunities as the effects are not separately identifiable or the level of measurement uncertainty is high  Qualitative disclosure of anticipated financial effects of climate-related risks or opportunities, with disclosure of reliance on the (permanent) structural reliefs**	More quantitative disclosures of current and anticipated financial effects of climate-related risks or opportunities, with disclosure of reliance on the (permanent) structural reliefs** where necessary
Limited disclosure of the amount or percentage of assets or business activities vulnerable to or aligned with climate-related risks and opportunities*	Disclosure of the amount or percentage of assets or business activities vulnerable to or aligned with climate-related risks and opportunities*	Disclosure of the amount or percentage of assets or business activities vulnerable to or aligned with climate-related risks and opportunities*
Determined the scope of its value chain, including its breadth and composition, with disclosure of reliance on the (permanent) structural reliefs*	Determined the scope of its value chain, including its breadth and composition, with disclosure of reliance on the (permanent) structural reliefs*	Determined the scope of its value chain, including its breadth and composition, with disclosure of reliance on the (permanent) structural reliefs*
Disclosure of reliance on the (temporary) transition reliefs of (a) not using the Greenhouse Gas Protocol and (b) not providing comparative information in respect of the preceding period	Use the Greenhouse Gas Protocol to calculate its GHG emissions  Comparative information in respect of the preceding period	Use the Greenhouse Gas Protocol to calculate its GHG emissions  Comparative information in respect of the preceding period
<a href="#">For STI Constituents, to disclose Scope 3 GHG emissions from FYC 2026</a>  For issuers already disclosing Scope 3 GHG emissions, continue to disclose Scope 3 GHG emissions For other issuers, to build capabilities to report Scope 3 GHG emissions		
* Using all reasonable and supportable information that is available to the issuer at the reporting date without undue cost or effort  # Considering the issuer's skills, capabilities and resources		