

Panel Discussion 2

Climate-related and Other Uncertainties in the Financial Statements

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Summary of findings from work done to date

Concerns

 Insufficient information about effects of climaterelated risks in financial statements

Inconsistencies

between information about climate-related risks reported in financial statements and elsewhere

Standards generally sufficient

- Investor information needs might go beyond objective of financial statements
 - Some information needs may be satisfied by sustainability-related financial disclosures
- IFRS Accounting Standards generally sufficient in requiring useful information about effects of climaterelated and other risks
 - However, there may be challenges in application

Evolving area

- Some improvements in recent years
- As sustainabilityrelated financial disclosures evolve, they may better inform and improve compliance with IFRS Accounting Standards



Decisions and next steps

Educational material

Explore development of examples to help improve application of IFRS Accounting Standards

Translate and make more **visible** existing educational material

Standard-setting

Explore **possible targeted amendments** to improve disclosures about estimates

- estimates require significant judgement
- IASB to assess whether standard-setting is feasible and helpful
- any amendments about uncertainties generally—not specific to climate

Other ongoing IASB projects may also help address concerns about accounting for climate-related matters

Interpretations Committee

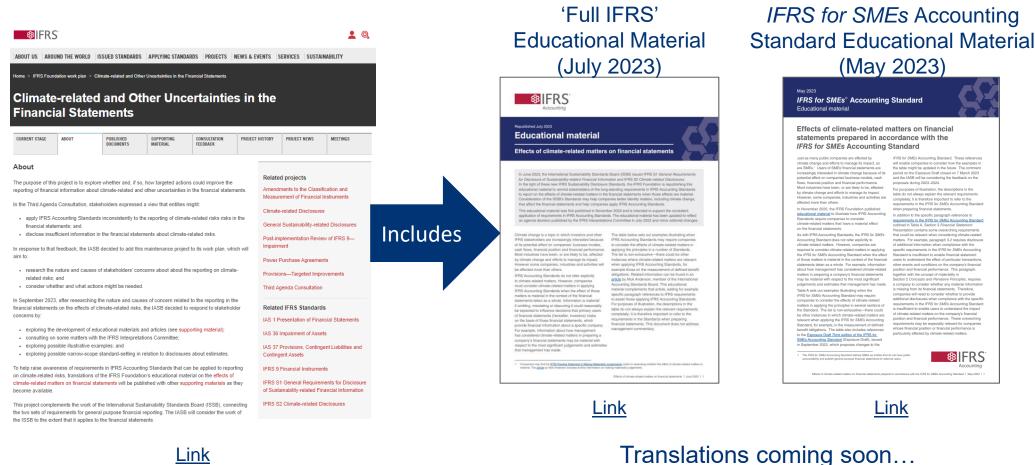
Discuss:

- recognition of liabilities for climate-related commitments
- measurement of some nonfinancial assets when testing for impairment

IASB will continue to monitor developments



Information on accounting for climate-related matters Visit our project page



4



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