



# Sustainability Disclosure: Global Standard-Setters, Regulatory Bodies, and Market Initiatives

PLANETARY P&L

# IFRS Foundation: International Sustainability Standards Board (ISSB)

*Countries: Global (endorsed by G7, G20, IOSCO, used in 140+ jurisdictions)*

*Function: Sets baseline sustainability disclosure standards (IFRS S1 & S2) focused on financial materiality and investor needs*

The IFRS Foundation, through the ISSB, establishes global baseline standards for sustainability-related financial disclosure. Focused on financial materiality, IFRS S1 and S2 integrate environmental and social risks into traditional capital market reporting. Supported by G7, G20, and IOSCO, ISSB standards aim to harmonize fragmented ESG frameworks and enhance investor decision-making across 140+ jurisdictions. The ISSB represents a structural shift in financial reporting, embedding sustainability into the core of enterprise valuation.

[Visit IFRS Website](#)

## Global Reporting Initiative (GRI)

*Countries: Global (used in 100+ countries)*

*Function: Impact-based disclosure framework emphasizing double materiality (financial + environmental/social impact)*

The Global Reporting Initiative sets the most widely used sustainability disclosure standards globally, focusing on impact materiality and double materiality principles. GRI standards require organizations to report on how their activities affect society, the environment, and the economy, beyond financial outcomes. Used by over 10,000 organizations across 100+ countries, GRI's influence is embedded in emerging regulatory frameworks such as the European Union's CSRD and global interoperability initiatives with the IFRS Foundation.

[Visit GRI Website](https://www.gri.org/)

## Carbon Disclosure Project (CDP)

*Countries: Global (used by companies in over 90 countries)*

*Function: Collects self-reported data on climate, water, and forests for use by investors and customers*

CDP is the leading global platform for environmental disclosure, collecting standardized self-reported data on climate, water, and forests from companies, cities, and regions across ninety countries. CDP disclosures inform investors representing over \$130 trillion in assets and support supply chain, regulatory, and risk management initiatives. Aligned with TCFD and ISSB frameworks, CDP drives corporate accountability and advances environmental transparency at scale.

[Visit CDP Website](#)

## **Task Force on Climate-related Financial Disclosure (TCFD)**

*Countries: Global influence; formally adopted by UK, EU, Japan, Singapore, Brazil, and more*

*Function: Framework for disclosing climate-related risks and opportunities; succeeded by ISSB*

Established by the Financial Stability Board, TCFD created the global framework for disclosing climate-related financial risks and opportunities. Structured around governance, strategy, risk management, and metrics, TCFD introduced forward-looking tools such as scenario analysis to assess business model resilience. Adopted by the UK, EU, Japan, Singapore, Brazil, and others, TCFD laid the foundation for the ISSB's IFRS S2 standard and reshaped how financial markets integrate climate risk into decision-making.

[Visit TCFD Website](#)

## **Task Force on Nature-related Financial Disclosures (TNFD)**

*Countries: Global (adoption growing in G20 and biodiversity-risk sectors)*

*Function: Guides companies in disclosing dependencies and impacts on nature*

TNFD provides a global framework for disclosing nature-related risks and opportunities, recognizing the material financial impacts of biodiversity loss and ecosystem degradation. Building on TCFD's structure, TNFD introduces concepts such as dependencies, impacts, and the LEAP approach for spatially explicit risk assessment. Supported by G20 economies and major financial institutions, TNFD aims to embed nature into mainstream financial reporting and align markets with ecological resilience.

[Visit TNFD Website](#)

# Organization for Economic Cooperation and Development (OECD)

*Countries: 38 member countries (incl. US, EU, UK, Japan, Australia)*

*Function: Issues ESG and responsible business conduct guidelines; influences policy and standards*

The OECD issues globally recognized guidelines on responsible business conduct and ESG integration, influencing policy development across its thirty-eight member countries. Through frameworks such as the Guidelines for Multinational Enterprises and sector-specific due diligence standards, the OECD shapes corporate responsibility practices, sustainable finance policy, and global disclosure harmonization efforts, bridging economic development and sustainability governance.

[Visit OECD Website](#)

## United Nations Global Compact (UNGC)

*Countries: Global (over 160 countries)*

*Function: Voluntary commitment to principles in human rights, labor, environment, and anti-corruption*

The UNGC is the world's largest corporate sustainability initiative, aligning over 20,000 organizations across 160 countries with ten universal principles covering human rights, labor, environment, and anti-corruption. Through voluntary participation, annual disclosure requirements, local networks, and alignment with the Sustainable Development Goals, the UNGC advances ethical corporate conduct and strengthens the private sector's contribution to sustainable development.

[Visit UNGC Website](#)

# **European Union - Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS)**

*Countries: 27 EU member states*

*Function: Mandatory sustainability disclosures using double materiality; covers 50,000+ companies*

The CSRD mandates comprehensive, standardized sustainability disclosures for over 50,000 companies across the EU's twenty-seven member states. Built on the principle of double materiality, the CSRD and European Sustainability Reporting Standards require firms to report how sustainability issues impact financial performance and how their activities affect society and the environment. This regulatory framework elevates ESG reporting to the level of audited financial disclosure and reinforces the EU's leadership in sustainable finance. (CSRD = the law that says "you must disclose." ESRS = the detailed blueprint telling you "this is what your disclosure must contain.")

[Visit CSRD Website](#)

# **United States - Securities and Exchange Commission (SEC)**

## **Climate-Related Financial Disclosure Rules**

*Countries: United States*

*Function: Climate-related financial disclosures required for publicly listed companies; financial materiality approach*

The SEC adopted climate-related disclosure rules in 2024, requiring public companies to report financially material climate risks, governance structures, Scope 1 and Scope 2 emissions, and financial statement impacts. Although enforcement is currently paused pending litigation, the rules embed climate risk into core securities filings and strengthen US capital market resilience against systemic environmental exposures.

[Visit SEC Website](#)

# **China - China Securities Regulatory Commission (CSRC) and Ministry of Ecology and Environment (MEE)**

*Countries: China*

*Function: Mandatory environmental disclosure for listed companies and polluting industries; alignment with global standards growing*

China is expanding mandatory environmental and ESG disclosures for listed companies and high-polluting industries, coordinated by the China Securities Regulatory Commission (CSRC) and the Ministry of Ecology and Environment (MEE). Current reforms aim to align disclosure standards with TCFD and ISSB frameworks, integrating sustainability into financial regulation and supporting China's national carbon neutrality and green finance strategies.

[Visit CSRC Website](#)

# **United Kingdom - Financial Conduct Authority & Department for Business, Energy & Industrial Strategy (FCA & BEIS)**

*Countries: United Kingdom*

*Function: TCFD-aligned disclosures for large companies and asset managers; includes SECR*

The UK mandates TCFD-aligned climate-related disclosures for large listed companies, asset managers, and insurers, alongside Streamlined Energy and Carbon Reporting (SECR) requirements for broader corporate energy and emissions transparency. Building on TCFD, the UK is moving to adopt ISSB standards, reinforcing its leadership in integrating climate risk into financial regulation and corporate governance.

[Visit FCA Website](#)

# Japan - Financial Services Agency & Tokyo Stock Exchange (FSA & TSE)

*Countries: Japan*

*Function: Climate-related disclosures required for top-listed companies; governance-related ESG policies encouraged*

Japan mandates TCFD-aligned climate risk disclosures for Prime Market listed companies through statutory filings overseen by the FSA. The TSE Corporate Governance Code further encourages ESG integration into business strategy and governance. Japan is aligning future sustainability disclosure standards with the ISSB framework, strengthening global interoperability and market transparency.

[Visit FSA Website](#)

[Visit TSE Website](#)

## Canada - Canadian Securities Administrators (CSA)

*Countries: Canada*

*Function: Draft rules mandating climate disclosures aligned with TCFD and ISSB*

Canada's CSA is finalizing climate disclosure rules aligned with TCFD and ISSB frameworks, requiring listed companies to disclose governance, strategy, risk management, and emissions data related to material climate risks. The rules aim to harmonize with global standards while focusing on financial materiality, supporting transparency and investor decision-making.

[Visit CSA Website](#)

## **Sustainability Accounting Standards Board (SASB)**

*Countries: Global (legacy usage, especially in US; now part of ISSB)*

*Function: Developed sector-specific standards for financially material ESG information*

SASB developed sector-specific standards identifying financially material ESG issues across 77 industries. Its investor-focused framework standardized ESG disclosures for comparability and relevance to enterprise value. Now part of the ISSB, SASB's legacy continues to shape global sustainability reporting through sectoral materiality guidance.

[Visit SASB Website](#)

# International Integrated Reporting Council (IIRC)

*Countries: Global*

*Function: Promoted integrated reporting across multiple capitals (financial, manufactured, natural, human, social); now merged into ISSB*

The IIRC developed the Integrated Reporting (IR) Framework, emphasizing how companies create long-term value through the management of financial, manufactured, natural, human, social, and intellectual capitals. Now merged into the ISSB, its principles continue to shape integrated thinking and corporate disclosure practices worldwide.

[Visit IIRC Website](#)

## **B Lab - B Corp Certification**

*Countries: Global (used in 70+ countries)*

*Function: Voluntary certification for companies demonstrating verified social and environmental performance*

B Lab administers the B Corp Certification, a voluntary verification program recognizing companies that meet high standards of social and environmental performance, transparency, and stakeholder accountability. Over 7,000 certified companies in 70+ countries use the B Impact Assessment to measure and improve their impact beyond financial outcomes.

[Visit BLAB Website](#)

## Value Reporting Foundation

*Countries: Global*

*Function: Former umbrella for SASB and IIRC; now merged into IFRS/ISSB to support harmonization of sustainability reporting*

The VRF unified SASB's sector-specific standards and the IIRC's Integrated Reporting Framework to drive convergence between financial and sustainability reporting. Now merged into the IFRS Foundation under the ISSB, its legacy informs the global harmonization of sustainability disclosure for capital markets.

# International Organization of Securities Commissions (IOSCO)

*Countries: 130+ member jurisdictions*

*Function: Promotes adoption of consistent sustainability reporting frameworks for global capital markets*

IOSCO promotes the adoption of consistent, comparable, and reliable sustainability reporting frameworks to protect investors and enhance global capital market stability. It endorsed the ISSB standards and encourages their use as the global baseline for climate and sustainability disclosures.

## **World Economic Forum - Stakeholder Capitalism Metrics**

*Countries: Global (adopted by multinational corporations)*

*Function: Offers ESG metrics aligned with SDGs to promote stakeholder-oriented value creation*

The WEF's Stakeholder Capitalism Metrics provide a standardized set of ESG indicators aligned with the UN SDGs, enabling companies to disclose their contributions to environmental, social, and governance outcomes and promote stakeholder-oriented value creation across global markets.