



Subject: Minutes of the 205th meeting of the AASB
Venue: Videoconference
Held: Wednesday, 26 June 2024, 10.00 am – 4.50 pm

All agenda items were discussed in public, except for items 1 and 6.

Attendance

Members	Keith Kendall (Chair) Stephen Taylor (Deputy Chair) Carolyn Cordery James Grant Dean Hanlon Adrian King Toby Langlely Liza Maimone (part of meeting) Mathew Nelson Sean Osborn Moana Overton Paul Rogers Caroline Spencer
Apologies	David Holland Liza Maimone (2.30 pm – 4.50 pm)
<i>In attendance</i>	
Staff	Clark Anstis (part of meeting) Patricia Au Kimberley Carney Fridrich Housa Kathleen John Eric Lee Ao Li Lan Lu Maggie Man Lachlan McDonald-Kerr Sabine Schuhrer Helena Simkova Jia Wei Justin Williams
Other	Robert Keys – agenda item 3 Doug Niven, AUASB – agenda item 5 Angus Thomson – agenda item 4



Agenda and Chair's Report

Agenda Item 1 – discussed in private

The Chair noted the significant items on the agenda and provided the Board with an update on recent and future activities.

In Remembrance

The Board observed a minute's silence at the commencement of the public meeting in remembrance of the late Peter Gibson, who served the maximum of three three-year terms as a member of the AASB Board, from 2013 to 2021.

Apologies, Declarations of Interests, Minutes and Approvals Out of Session

Agenda Item 2

Apologies

Apologies for the meeting were noted from David Holland and from Liza Maimone (for part of the meeting).

Declarations of Interests

Members indicated that, in the normal course of their day-to-day professional responsibilities, they deal with a broad range of financial reporting issues. Members have adopted the standing policy in respect of declarations of interests that a specific declaration will be made where there is a particular interest in an issue before the Board.

There were no specific declarations for this meeting.

Minutes

The Board approved the minutes of the two hundredth and fourth meeting, held on 6-7 June 2024.

Approvals Out of Session

The Board noted the out-of-session approval of the following AASB document since the previous meeting report:

- Exposure Draft ED 330 *Contracts for Renewable Electricity*.

Service Performance Reporting

Agenda Item 3

The Board decided to adopt the working definition of 'service' as "goods or services, including funding activities, provided by a not-for-profit (NFP) entity to recipients (other than the entity itself) in pursuit of the entity's objectives" for the purposes of a common understanding of the project direction and scope and the



relationship to other aspects on which an NFP entity might report. The Board noted that it might not be necessary or appropriate to include a formal definition of 'service' in a principles-based Service Performance Reporting (SPR) pronouncement, which will be assessed at a later stage of the project.

The Board also decided to reconstitute a dedicated Service Performance Reporting Project Advisory Panel comprising individuals with a particular interest and relevant expertise in SPR, to assist in progressing the project.

Action: Staff

Climate-related Financial Disclosure

Agenda Item 4

The Board continued its discussion of the feedback received on [draft] ASRS 2 *Climate-related Financial Disclosures* as proposed in Exposure Draft ED SR1 *Australian Sustainability Reporting Standards – Disclosure of Climate-related Financial Information* (October 2023).

The Board decided to make changes to the requirements proposed in ED SR1 so that the following aspects of ASRS 2 would be consistent with the baseline of IFRS S2 *Climate-related Disclosures*:

- (a) climate-related scenario analysis – to omit paragraphs Aus22.1 and Aus22.2 of [draft] ASRS 2, which proposed requiring an entity to assess climate resilience against at least two relevant possible future states, including one consistent with the most ambitious global temperature goal set out in the *Climate Change Act 2022*, and clarifying the disclosure requirements [Mathew Nelson requested the minutes note his vote against this change, preferring to retain a requirement for an analysis based on a 1.5° global temperature increase];
- (b) cross-industry remuneration metrics – to omit paragraph Aus29.1 of [draft] ASRS 2, which referred to the 'key management personnel' and 'compensation' definitions in AASB 124 *Related Party Disclosures*;
- (c) Scope 3 GHG emissions – to omit paragraph AusB39.1 of [draft] ASRS 2, which proposed to permit an entity to measure and disclose its Scope 3 GHG emissions using data for the immediately preceding reporting period if reasonable and supportable data related to the current reporting period is unavailable;
- (d) financed emissions – to require entities participating in financial activities of asset management, commercial banking or insurance to provide the additional and specific financed-emission disclosures set out in IFRS S2 paragraphs B59 and B61–B63, instead of requiring an entity to consider the applicability of those disclosures, as proposed in the related Aus paragraphs in the [draft] ASRS 2; and
- (e) the definition of 'carbon credits' – to adopt the IFRS S2 definition with no modification.



The Board also decided that no changes were required to ASRS 2 in respect of which superannuation entities might be required to comply with the Standard (which is a matter for the *Corporations Act 2001*) or the primary users of general purpose financial reports of superannuation entities.

Action:

Staff

AUASB Update

Agenda Item 5

Doug Niven, AUASB Chair, provided an update to the Board on the AUASB's project on Sustainability Reporting Assurance.

Review of the Meeting

Agenda Item 6 – discussed in private

The Board reviewed the conduct of the meeting.

Close of the Meeting

The Chair closed the meeting at 4.50 pm on Wednesday, 26 June 2024.

Approval of Minutes

Signed by the Chair as a correct record,
this 19th day of July 2024.