

Scaling the standard



Insights from CDP's 2024 IFRS S2-aligned disclosures

CDP's 2024 dataset contains the first comprehensive global snapshot of companies' readiness to meet the international climate disclosure baseline represented by IFRS S2. Drawing on a subset of 11,456 companies representing 55% of global market capitalization, from 106 countries, this snapshot provides critical insights for governments determining regulations and for the companies getting prepared to comply.

Ready for regulation? The global picture

At least 83% of companies globally disclosed against the vast majority (80% or more) of IFRS S2-aligned questions in CDP's questionnaire in 2024.

Just 4% of companies globally responded to less than half of IFRS S2-aligned questions, further signalling that the move to IFRS S2-aligned reporting is well underway in the global market.

With 9% of disclosing companies already responding to all IFRS S2-aligned questions, for most companies, only a few gaps in data and processes remain.

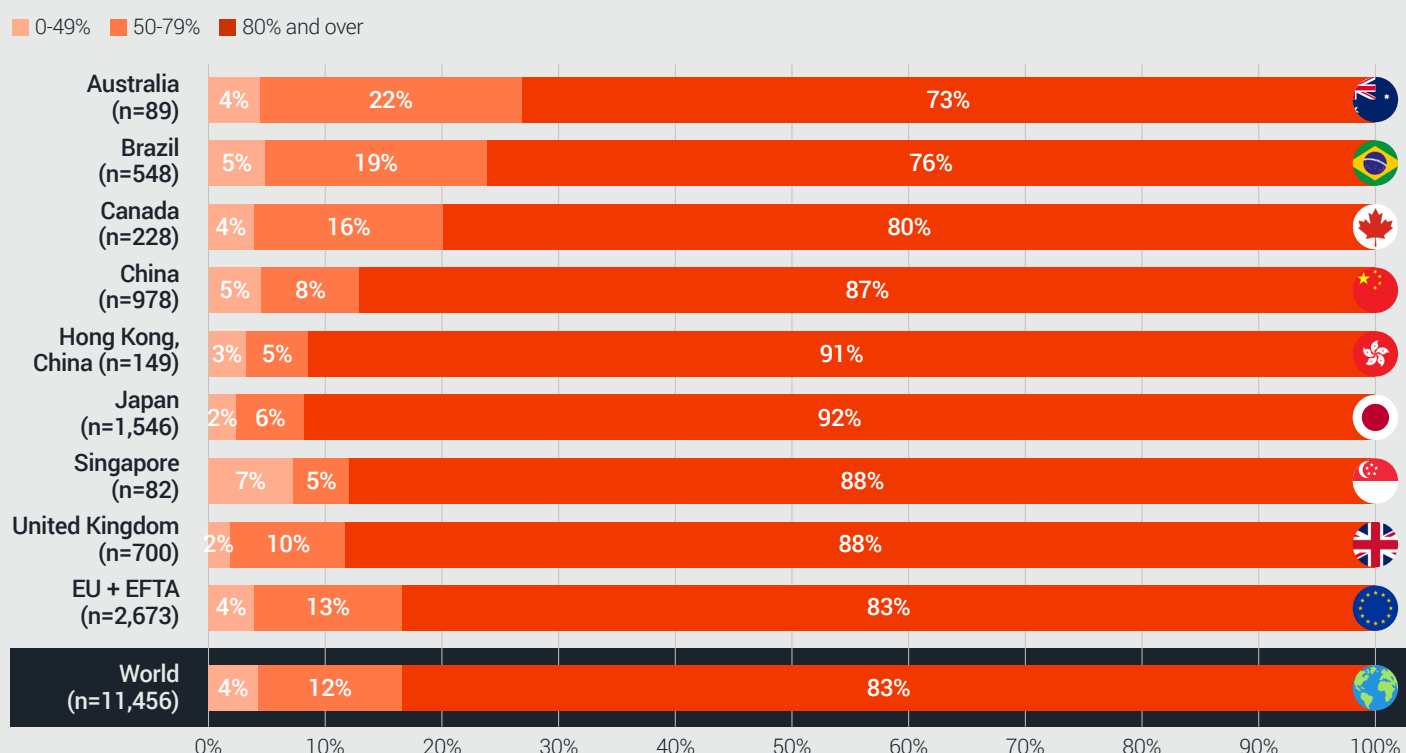
Looking closely at some of the jurisdictions that have adopted the standard or are making progress toward future adoption, this snapshot provides a unique insight into companies' readiness, and existing gaps in data and processes.

83%

of assessed companies are already disclosing against at least 80% of IFRS S2-aligned questions



Figure 1: Extent of disclosure against IFRS S2-aligned questions in selected key jurisdictions



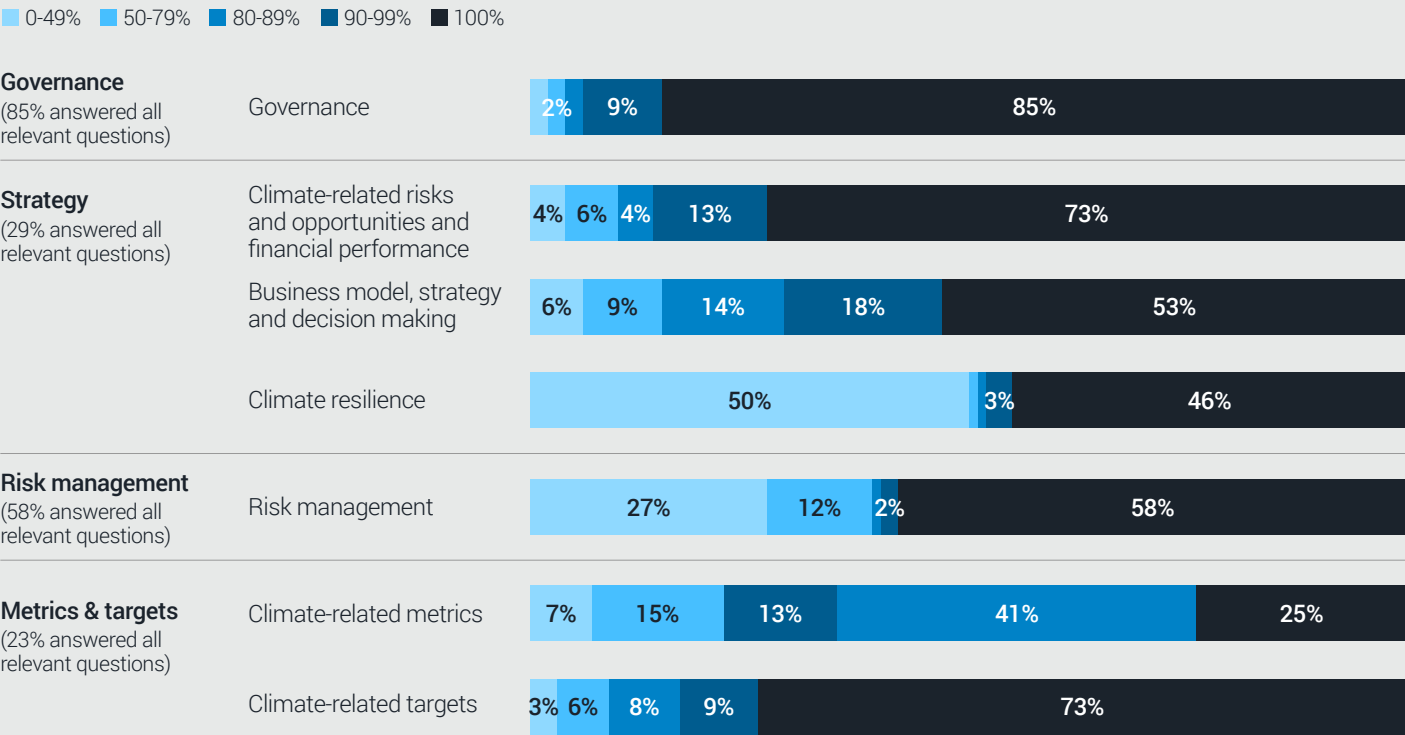


Disclosure against core elements of IFRS S2

The core content elements in IFRS S2 require a company to provide information about climate-related governance, strategy, risk management and metrics and targets. Governance was the area with the highest response rate, with 85% of companies providing all information required in response to the aligned questions. Climate-related metrics saw the lowest levels of response, with only 25% of companies providing answers to all aligned questions. The extent of strategy disclosures is also behind that of other

areas, in particular in the area of climate resilience. Half of the assessed companies responded to under half of the aligned questions on the use of climate-related scenario analysis to assess their climate resilience. Risk management disclosures are strong, with 58% providing full responses to the aligned questions, but this element also sees a large share of companies (27%) that were unable to provide half of the requested information on the processes that they use to identify, assess, prioritize and monitor climate-related risks.

Figure 2: Disclosure against core content areas of IFRS S2 in CDP's questionnaire



Recommendations



Companies should assess their disclosures and identify gaps to improve the extent of their IFRS S2-aligned disclosure. Companies can disclose updated IFRS S2-aligned data through CDP from June to September 2025, sharing disclosed data directly to their stakeholders and the wider global market.



Regulators should use these insights to understand the readiness for regulation in their jurisdictions, and to shape capacity building programs to ensure that gaps are filled and that the information surfaced is of maximum quality. CDP is uniquely positioned to support governments and policymakers incorporating IFRS S2 into regulation, providing a globally accessible platform for disclosure of IFRS S2-aligned information and a means to track its uptake across the economy.