

IMPLEMENTING AND DEMONSTRATING COMPLIANCE WITH IFRS S1 AND IFRS S2 THROUGH SUSTAINABILITY-RELATED FINANCIAL DISCLOSURES

PREFACE

As global financial markets increasingly prioritize transparency, climate resilience, and long-term value creation, the Securities and Exchange Commission of Pakistan (SECP) has adopted the IFRS Sustainability Disclosure Standards – IFRS S1 and IFRS S2 in phased approach. These standards, developed by the International Sustainability Standards Board (ISSB), aim to align corporate reporting in Pakistan with global sustainability expectations.

IFRS S1 establishes the general requirements for sustainability-related financial disclosures, covering governance, strategy, risk management, and performance metrics. IFRS S2 focuses specifically on climate-related risks and opportunities, including emissions, energy use, and climate transition strategies.

In response, ICAP is pleased to present a comprehensive two-day workshop designed to equip Pakistani professionals across finance, risk, audit, and sustainability functions with the skills needed to interpret, apply, and implement these standards. Through hands-on sessions, participants will gain practical experience in conducting materiality assessments, mapping climate and enterprise risks, aligning strategies with disclosures, and preparing for the SECP's ESG compliance roadmap.

IFRS Sustainability Disclosure Standards integrate work of international frameworks (TCFD, SASB, GRI). This workshop emphasizes their application in key Pakistani sectors such as Textiles, FMCG, Financial Institutions, and Manufacturing etc., preparing participants to lead sustainability transformations in their organizations.

WHAT YOU WILL LEARN

By the end of this workshop, you will:

- Understand disclosure, governance, and strategic alignment requirements under IFRS S1 and S2
- Perform materiality assessments and climate risk identification
- Learn how to define and report on ESG metrics, and KPIs
- Use SASB industry-specific standards to select relevant metrics and disclosures across diversified sectors.
- Conduct scenario analysis and align strategy with sustainability risks
- Prepare to align with SECP's phased ESG roadmap and latest guidelines
- Have practical knowledge of preparing disclosures as per requirements of IFRS Sustainability Disclosure Standards

DAY 1: SETTING THE FOUNDATION & RISK ASSESSMENT

Module 1: Introduction to IFRS S1 and S2

- Purpose of IFRS S1 & S2, global trends and investor expectations
- ISSB integration and link to GRI, TCFD, SASB
- Overview of IFRS S1 and IFRS S2, Disclosures on Governance, Strategy, Risk Management, Metrics & Targets
- Key Concepts from IFRS S1 and IFRS S2 (Value Chain, Sustainability-related Risks and Opportunities, Connected Information, Sources of Guidance)
- SECP's ESG Guidelines and Roadmap

Module 2: Governance and Accountability in Sustainability Reporting

- Role of Governance in developing the strategic direction of the organization towards sustainability. Building effective ESG governance committees and councils
- Defining reporting hierarchies, responsibility ownership, and mandates for Board, C-suite, functional heads, and sustainability teams. Defining and enhancing Terms of Reference (ToR)
- Alignment with the Pakistan's Code of Corporate Governance
- Model disclosure for Sustainability Governance

Group Exercise:

Participants create an ESG governance model for a hypothetical company, assigning roles and ToRs for key stakeholders.

Module 3: Materiality, Risk & Value Chain Analysis

- Mapping business models and sustainability risks across the value chain
- Physical vs transition risks – definitions and sector relevance
- Sector-specific risks identification using SASB and other guidance
- Time horizon, impact severity, and likelihood
- Materiality assessment framework (per IFRS S1/S2)
- Model Disclosure for Risk assessment process

Group Exercise:

Groups conduct a materiality assessment for a selected sector, plotting risks by impact and likelihood across the value chain.

DAY 2:

STRATEGY, METRICS & DISCLOSURE APPLICATION

Module 4: Strategic Planning, Climate Scenario Analysis & Transition Readiness

- Developing climate strategies & transition plans and its resource planning
- Use of scenario analysis: inputs, assumptions, and impact modeling
- Stress-testing - regulatory shifts, climate shocks, input price changes
- Financial implications of ESG and climate strategies
- Model disclosure for Transition Planning

Group Exercise:

Groups are given a scenario (e.g. carbon tax increase or supply chain disruption) and asked to assess strategic response options and disclosure impact

Module 5: ESG Performace Metrics and Targets, and their Reporting under IFRS S1 & S2

- ESG metrics and target setting, Scope 1-3 emissions and other SASB industrial metrics usage (energy intensity, waste, water etc.)
- Example Model Disclosures demonstrating application of SASB Standards and IFRS S1 and S2 Disclosure requirements
- ESG disclosure guidelines for listed companies and Pakistan Green Taxonomy

Group Exercise:

Participants calculate sample ESG metrics (e.g. emissions per unit of output) from mock data and draft a disclosure paragraph using IFRS S2 structure.

Trainers

Fauzia Safdar Khan

Sustainability Reporting & Finance Professional Senior Director – Crowe Hussain Chaudhury & Co.

Ms. Fauzia Safdar Khan, FCA (ICAP), ACA (ICAEW), and also holds an MBA from the University of Leicester.

She is currently Senior Director of Sustainability and Climate at Crowe Pakistan. Recipient of SAFA ESG Visionary Women Award 2024 and ICAP Woman of the year 2023, recognized for her leadership in sustainability.

Her expertise includes sustainability reporting, strategic planning, GHG emissions accounting and carbon offsetting strategies.

She has successfully led diverse projects with focus on SBTi alignment, ESG frameworks, and policy formation.

Known for managing complete sustainability journeys, from commitments to transparent disclosures.



Mian Ahmad Farhan-FCA

30 plus years of experience



- Fellow Member of the Institute of Chartered Accountants of Pakistan
- Fellow Member of Pakistan Institute of Public Finance Accountants
- Fellow Member of Emirates Association for Accountants and Auditors, UAE
- Certified Trainer by the UAE Ministry of Community Development, UAE
- Certified Trainer by SMEDA, Pakistan

He is:

- Partner Kress Cooper Chartered Accountants, Dubai
- Principal MAF & Co. Chartered Accountants, Lahore
- CEO EdSkills Educational Services (Pvt.) Ltd., Lahore

He has served:

- ICAP UAE Chapter as Vice President for three consecutive terms (2012 – 2018). ICAP Education Committee for two consecutive Terms.
- Accountants and Auditors Association (AAA), Dubai, UAE in the Capacity of Executive Director (2016-17).
- Professional education providing Institutes and Universities in Pakistan & UAE from 2001 to 2021.

Muhammad Imran Khan

Director Technical ICAP



Mr. Muhammad Imran Khan is an Associate Member of the Institute of Chartered Accountants of Pakistan (ICAP). Currently, he is serving as Director Technical Services at ICAP. He has rich experience, largely in practicing firms, in Audit, Assurance, Financial and Internal Control Reviews, and possesses sound knowledge on application of International Financial Reporting Standards and International Standards on Auditing. Mr. Imran also possesses strong interpersonal skills.

Mr. Imran has been contributing to publications made by ICAP in respect of sustainability reporting under IFRS Sustainability Disclosure Standards.

Investment

Registration Fee: **PKR. 40,000/-**

10% early bird discount for ICAP members/affiliates/students

5% discount for group registrations for 3 or more registrations from a single organization.

Early bird discount valid until **January 09, 2026**.

The above fee is exclusive of applicable taxes.

Meals and refreshments shall be served during training hours.

Certificate of participation will be awarded to those attending this course at the conclusion of training session.



09:30 AM – 06:30 PM

January 14-15, 2026

ICAP House Lahore (In-person)

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