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# Sustainability Reporting Framework (SRF) According to ISSB Standards For Banks and Insurance companies 2025

## Contents

Executive summary .....	2
1. Introduction.....	3
<b>PART A (GENERAL PROVISIONS).....</b>	<b>4</b>
2. Commencement .....	4
3. Purpose and scope .....	4
4. Definitions .....	5
<b>PART B (REGULATORY REQUIREMENTS).....</b>	<b>6</b>
5. Requirement to prepare and submit sustainability report.....	6
6. Branches and subsidiaries.....	7
7. Proportionality mechanisms .....	7
8. Transition reliefs.....	9
9. Transition planning .....	12
10. External assurance.....	12

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## Executive summary

In line with the Third Financial Sector Strategic Plan and the ESG and Sustainability Strategy for the Financial Sector, the Sustainability Reporting Framework (“SRF”) constitutes a regulatory framework for financial institutions on sustainability reporting aligned with globally recognised standards set by the International Sustainability Standards Board (“ISSB”), specifically the International Financial Reporting Standards (“IFRS”) IFRS S1 (General requirements for Sustainability-related Disclosures) and IFRS S2 (Climate-related Disclosures).

These standards offer a framework for financial institutions to disclose reliable, decision-useful and globally comparable sustainability information. By adopting these standards, the Qatar Central Bank aims to enhance transparency, accountability, and trust in sustainability reporting and further support investors to assess how financial institutions are navigating sustainability challenges and decision-making that reflects on both the economy and the environment.

These standards will be implemented in a phased approach as detailed further in this framework, given the maturity of financial institutions readiness to use the ISSB standards and to ensure a faithful adherence of the standards.

## 1. Introduction

The ISSB builds on the work of investor-focused reporting initiatives, including the Climate Disclosure Standards Board (CDSB), Task Force on Climate-related Financial Disclosures (TCFD), Value Reporting Foundation’s Integrated Reporting Framework and industry-based Sustainability Accounting Standards Board (“SASB”) Standards, as well as World Economic Forum’s Stakeholder Capitalism Metrics<sup>1</sup>.

The ISSB standards (“the standards”) are being adopted as the primary and unified sustainability disclosure standard in Qatar’s financial sector, aiming to ensure consistency, transparency, and comparability in sustainability disclosures across the financial sector. Accordingly, the Sustainability Reporting Framework (“SRF”) has been developed to establish a clear roadmap for the implementation of the general requirements of IFRS S1 and S2.

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<sup>1</sup> Source: [Measuring Stakeholder Capitalism](#)

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## PART A (GENERAL PROVISIONS)

### 2. Commencement

The instructions set forth herein are titled the Sustainability Reporting Framework (“SRF”) and shall enter into force at the date of publication for annual financial reporting periods beginning on 1 January 2026.

### 3. Purpose and scope

The purpose of this document is to set out a framework for the implementation of ISSB Standards for all Banks and Insurance companies (“financial institutions”) regulated by the Qatar Central Bank (“QCB”).

The SRF adopts a **phased approach** given the maturity of financial institutions’ readiness to use the ISSB Standards, their sustainability reporting practices and internal capabilities, by applying the transition reliefs.

This Framework is divided into two (2) parts:

- a. Part (A) of the SRF defines the **general provisions** for the adherence of the SRF.
- b. Part (B) sets out the **regulatory requirements** according to the ISSB requirements with regards to IFRS S1 and S2 standards applicable to financial institutions in the State of Qatar.

## 4. Definitions

For the purpose of the SRF, the following terms are defined as follows:

Term	Definition
<b>IFRS S1</b>	Refers to the international financial reporting standard “ <i>General Requirements for Disclosure of Sustainability-related Financial Information (IFRS S1)</i> ” first published by the International Sustainability Standards Board (ISSB) in June 2023.
<b>IFRS S2</b>	Refers to the international financial reporting standard “ <i>Climate-related Disclosures (IFRS S2)</i> ” first published by the ISSB in June 2023.
<b>Sustainability Report</b>	A report prepared in relation to a financial year in accordance with the IFRS S1 and IFRS S2 standards applicable to that financial year.
<b>Greenhouse Gas (GHG) emissions</b>	Definitions of Scope 1, Scope 2 or Scope 3 emissions are to be construed in accordance with IFRS S2.

## PART B (REGULATORY REQUIREMENTS)

### 5. Requirement to prepare and submit sustainability report

- 5.1 A financial institution must prepare and submit their sustainability report to QCB for each annual financial year, starting from 1 January 2026<sup>2</sup>.
- 5.2 Pursuant to paragraph (72) of the IFRS S1 Standard, a financial institution, when preparing sustainability reports should include an explicit and unreserved statement of compliance with all requirements of IFRS S1 and S2.
- 5.3 No provision in the SRF, IFRS S1, or IFRS S2 shall be construed as affecting any provision of other legislation issued by the QCB applicable to a financial institution that:
- requires the financial institution to report or disclose specific information; or
  - permits or requires the financial institution to withhold or refrain from disclosing certain information.
- 5.4 A financial institution is permitted to use other sustainability reporting standards in addition to ISSB standards, such as the Global Reporting Initiative (“GRI”) standards, provided that they complement and do not conflict with the ISSB requirements. If additional standards are applied, the financial institution must ensure that the material information required by the ISSB standards remains clear and distinctly identifiable<sup>3</sup>.
- 5.5 Implementation of the IFRS S1 and S2 Standards shall be applied concurrently with the ISSB interrelated publications, as follows:
- Accompanying Guidance on IFRS S1 - General Requirements for Disclosure of Sustainability-Related Financial Information
  - Accompanying Guidance on IFRS S2 - Climate-Related Disclosures
  - Industry-based Guidance on implementing Climate-related disclosures

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<sup>2</sup> IFRS S1 specifies the time limits within which sustainability reports are to be prepared

<sup>3</sup> IFRS S1.62 and B27

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5.6 A sustainability report is not part of a financial institution’s annual financial statements even if it is attached as an annex or appendix to the statements.

## 6. Branches and subsidiaries

Branches and subsidiaries of foreign financial institutions operating in the State of Qatar, whose head offices do not apply the ISSB standards at the group level, shall be required to prepare and submit a sustainability report at the branch level. The extent of such disclosures shall be proportionate to the size and nature of the branch’s operations in the State of Qatar and shall comply with the requirements and scope set by the Qatar Central Bank.

## 7. Proportionality mechanisms

The proportionality mechanisms in IFRS S1 and S2 are designed to streamline requirements for financial institutions, facilitating effective and efficient application of the standards—especially during initial adoption. These proportionality mechanisms, as outlined in Table 1, are based on the concepts of using:

### 7.1 Reasonable and supportable information that is available at the reporting date without undue cost or effort:

This concept applies to the information required to be used to prepare disclosures and is intended to help financial institutions provide the disclosures required by the standards in areas in which there is a high level of measurement or outcome uncertainty.

### 7.2 The skills, capabilities and resources available to the entity to address proportionality:

This concept allows financial institutions to apply qualitative approaches (instead of quantitative approaches) in several instances in IFRS S1 and IFRS S2. This concept is introduced to ensure that financial institutions can apply the requirements in a way that is proportionate to their circumstances while still providing useful information for investors.

**Table 1 – a summary of the proportionality mechanisms set out in the IFRS S1 and S2 standards adopted within the SRF.**

Proportionality mechanisms	Applicable disclosure
<p><b>Information used limited to what is reasonable, supportable and available without undue cost and effort.</b></p>	<p>For disclosure requirements:</p> <ol style="list-style-type: none"> <li>Identification of sustainable related risks and opportunities<sup>4</sup></li> <li>Identification of climate-related risks and opportunities<sup>5</sup></li> <li>Determination of anticipated financial effects of a sustainability-related and climate-related risk or opportunity<sup>6</sup></li> <li>Climate-related scenario analysis<sup>7</sup></li> <li>Specified climate-related metrics <ul style="list-style-type: none"> <li>• Climate-related transition risks</li> <li>• Climate-related physical risks</li> <li>• Climate-related opportunities<sup>8</sup></li> </ul> </li> <li>Measurement of Scope 3 GHG emissions<sup>9</sup></li> <li>Determination of the scope of the value chain<sup>10</sup></li> </ol>
Proportionality mechanisms	Applicable disclosure
<p><b>Qualitative approaches (instead of quantitative approach) allowed if the financial institution lack skills, capabilities or resources.</b></p>	<ol style="list-style-type: none"> <li>when determining an appropriate approach to use for its climate-related scenario analysis<sup>11</sup></li> <li>when determining whether the financial institution is able to provide quantitative information about anticipated financial effects of sustainability and climate-related risks or opportunities<sup>12</sup>.</li> </ol>

<sup>4</sup> IFRS S1 Paragraph 12

<sup>5</sup> IFRS S2 Paragraph 11

<sup>6</sup> IFRS S1 Paragraph 37-39, IFRS S2 Paragraph 18-20

<sup>7</sup> IFRS S2 Paragraph B1-B7

<sup>8</sup> IFRS S2 Paragraph 30

<sup>9</sup> IFRS S2 Paragraph B39

<sup>10</sup> IFRS S2 Paragraph B3

<sup>11</sup> IFRS S2 Paragraph B1-B7

<sup>12</sup> IFRS S1 Paragraph 37-39, IFRS S2 Paragraph 18-20

## 8. Transition reliefs

- 8.1 To accommodate differing levels of readiness of financial institutions in ensuring a smoother transition to full implementation of the ISSB Standards, the SRF avails financial institutions to transition reliefs (TR) 1 - 3 for the first annual reporting period. The list of transition reliefs and its respective duration is outlined in Table 2.
- 8.2 Additionally, the SRF endorses an extended transition reliefs (TR) 4 and 5 of two (2) years, i.e. an additional one (1) year, to allow sufficient time for financial institutions to establish effective processes and best practices related to GHG emissions.

**Table 2 - List of transition reliefs and duration of reliefs**

Transition reliefs	Duration of reliefs <sup>13</sup>
<p><b>TR1: Application of IFRS S1 and S2</b></p> <p>For the first annual reporting period a financial institution applies the Standards, it may consider applying IFRS S2 only as it pertains to climate-related financial disclosures, as outlined in IFRS S1<sup>14</sup>.</p> <p>For the subsequent annual reporting period, the financial institution would apply IFRS S1 in conjunction with IFRS S2, to cover a full spectrum of sustainability-related risks and opportunities.</p>	<p>One (1) year</p>

<sup>13</sup> One (1) year of relief is an exemption for the first annual report in (2027), based on financial year (2026); while two (2) years of relief is an exemption for annual reports in (2027 – 2028), based on financial year (2026 – 2027).

<sup>14</sup> IFRS S1 E5

## TR2: Timing of reporting

For the first annual reporting period a financial institution applies the Standards, it is permitted to report its sustainability-related financial disclosures after it publishes its related financial statement; these must be reported at the same time as its next second-quarter or half-year interim general-purpose financial report<sup>15</sup>.

Starting from the second annual reporting period (2028 based on financial year 2027 data), financial institutions are required to issue their sustainability reports simultaneously with the annual financial reports, covering the same reporting period as the related financial statements<sup>16</sup>.

## TR3: Comparative information

1. Financial institutions are permitted to not disclose comparative information in the first annual reporting period in which it applies the IFRS S1 and S2 for the first time. If a financial institution applied TR1, it is allowed to not disclose comparative information on IFRS S1 in the second year of reporting<sup>17</sup>.
2. Financial Institutions are permitted to present comparative information on GHG emissions using a methodology other than the GHG Protocol during the first two years of reporting (2027 and 2028) if the institution has applied TR4. Comparative information using the GHG Protocol must then be presented for the next subsequent years (2029 onwards). In this regard,

<sup>15</sup> IFRS S1 E4

<sup>16</sup> IFRS S1.64

<sup>17</sup> IFRS S1 E3

<p>financial institutions must include in the sustainability report:</p> <ul style="list-style-type: none"> <li>• A statement that different methods were used for the comparison.</li> <li>• An explanation of the way in which the use of the different methods affects the comparison.</li> </ul> <p>3. Financial institutions are not required to provide comparative information on Scope 3 emissions in the third reporting year (2029), with either or both first two years of reporting (2027 and/or 2028) if it uses TR5.</p>	
<p><b>TR4: Measurement approach for GHG emissions</b></p> <p>Financial institutions using a method other than the Greenhouse Gas Protocol “A Corporate Accounting and Reporting Standard (2004)” in their prior reports, are permitted to continue using that other method<sup>18</sup>.</p> <ul style="list-style-type: none"> <li>- Financial institutions that used to report under GRI 305 may continue to calculate Scope 1 and Scope 2 GHG emissions for annual reporting periods in 2027 and 2028.</li> <li>- For the avoidance of doubt, IFRS S2.C4 (a) exempts the need to use a particular measurement method but not the disclosure itself.</li> </ul>	<p>Two (2) years</p>
<p><b>TR5: Scope 3 GHG emissions</b></p> <p>Financial institutions are permitted to not disclose its Scope 3 GHG emissions during the first and second reporting years, respectively<sup>19</sup>.</p>	

<sup>18</sup> IFRS S2. C4 (a)

<sup>19</sup> IFRS S2. C4 (b)

## 9. Transition planning

- 9.1 Financial institutions are encouraged to consider formulating transition plans to harness opportunities, within the first year of annual reporting. This supports the State of Qatar Nationally Determined Contribution's ("NDC") ambition to reduce GHG emissions by 25% by 2030.
- 9.2 A climate-related transition plan is expected to cover targets, actions, or resources of a financial institution transition towards a lower-carbon economy, including actions that they may take in reducing GHG emissions<sup>20</sup>.
- 9.3 Financial institutions that have climate related transition plans are required to disclose them<sup>21</sup>.

## 10. External assurance

External assurance on sustainability reporting by financial institutions is necessary to ensure reliability of sustainability disclosure and to address concerns of greenwashing. A framework for assurance of sustainability information, will be developed and implemented based on international assurance standards.

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<sup>20</sup> IFRS S2. Paragraph 14 (a)(iv)

<sup>21</sup> IFRS S2. Paragraph 9(c) and IFRS S2. Paragraph 14 (a)(iv)

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