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### Accounting

#### IFRS 16 | Review of the leases standard

To understand whether the accounting standard is working as intended, the International Accounting Standards Board (IASB) is undertaking a post-implementation review of IFRS 16 Leases.

The IASB® asks:

- Whether IFRS 16 is meeting its objective;
- About the ongoing costs and benefits of applying the standard; and
- For feedback on its more complex elements – including the lease term, discount rates and variable lease payments.

Read our article and submit your response to the IASB by October 15, 2025.

[Find out more](#)

#### Pillar Two taxes in financial reports tax | More questions answered

Many countries are introducing a global minimum top-up tax as part of the international tax reform (Pillar Two<sup>1</sup> tax) and companies are assessing the accounting, presentation and disclosure impacts on financial reports.

Use our updated Pillar Two tax digital guide to navigate the key issues related to:

- Presentation and disclosure;
- Impairment assessment;
- Interim reporting; and
- Recharges.

[Read more](#)

#### Hyperinflationary economies | Ethiopia update

We've updated the article in our [Uncertain times digital hub](#) to reflect that we expect Ethiopia to cease to be a hyperinflationary economy under IAS 29 *Financial Reporting in Hyperinflationary Economies* for reporting periods ending on or after June 30, 2025.

[Learn more](#)

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### Sustainability reporting

#### Banks | 2024 sustainability-related disclosure benchmarking

Our 2024 sustainability-related disclosure benchmarking analysis covers 33 major banks. We've found that, as banks expand their sustainability-related disclosures, it is becoming increasingly important to deliver a connected and focused narrative. With many disclosure frameworks applied, comparing and understanding ESG performance can be a challenge.

Key findings from our analysis include:

- Although all banks disclose sustainability-related considerations in their credit risk assessment process, the quantified impact of climate risk on expected credit losses (ECL) remains relatively limited.
- Disclosures of portfolio coverage for financed emissions are gaining traction, and risks and dependency disclosures are expanding as interim target dates draw nearer.
- Despite ample narrative on financial inclusion and customer protection, a lack of standardised metrics and targets makes it difficult to assess their effectiveness.
- Banks have begun disclosing their risk management approaches to artificial intelligence (AI) ethics and algorithmic bias.

[Get the insights](#)

#### Insurers | 2024 sustainability-related disclosure benchmarking

Our 2024 sustainability-related disclosure benchmarking analysis covers 45 major insurers. We've found that as sustainability mandates evolve and diverge, comparability in insurers' disclosures remains challenging.

Insurers have an opportunity to provide clearer, more focused sustainability narratives with more insurance-specific data and that are better connected to the financial statements.

Key findings from our analysis include:

- More insurers are publishing transition plans, but still not the majority, while many focus on extreme weather risk assessments.
- There is notable progress on financed emissions, but calculations remain challenging for insurers.
- Few still disclose insurance-associated emissions, reflecting data and methodology challenges.
- Business conduct disclosures are mostly qualitative, more can be done to provide quantitative information, such as metrics and targets.

[Read the report](#)

#### Telling your transition story | Talkbook

Climate change is both a business risk and an opportunity to innovate. Investors and other stakeholders need to understand organizations' ambitions and actions in response.

As transition planning becomes more common and investor demand for it grows, reporting frameworks and standards – including the IFRS® Sustainability Disclosure Standards – increasingly require transition plan disclosures.

Our guide Telling your transition story provides an introduction to transition plan disclosures for those new to the topic.

[Download the guide](#)

#### Simplifying IFRS S2 | KPMG comments

We have submitted our [comment letter](#) to the International Sustainability Standards Board (ISSB) on its [proposed amendments<sup>1</sup>](#) to IFRS S2 Climate-related Disclosures. Overall, we support the ISSB's efforts to clarify the requirements in IFRS S2 on disclosing greenhouse gas emissions.

<sup>1</sup>ISSB/ED/2025/1 *Amendments to Greenhouse Gas Emissions Disclosures – Proposed targeted amendments to IFRS S2*

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