2026 Sustainability Priorities

Compliance, strategy, innovation

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Partner

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Manager

Maria Bianculli
Manager

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Agendi is a specialist climate and sustainability consulting firm serving large global organisations

Agendi provides an industry-leading and innovative approach to sustainability consultancy

Our accreditations and commitments are aligned with our mission:

Certified B Corporation

Accredited Provider CDP 2025

SCIENCE BASED TARGETS

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Define and reach your climate and sustainability goals. We'll lead the way.

Knowledge & Capacity Building

Develop tailored content and training sessions

Understanding Impact

Calculation of environmental / emissions inventories

GREENHOUSE GAS PROTOCOL

PCAF

Strategic Planning

ESG materiality assessments, target setting and mitigation planning

SCIENCE BASED TARGETS

SCIENCE BASED TARGETS NETWORK GLOBAL COMMONS ALLIANCE

Enabling Action & Innovation

Implementation of net-zero strategies, including future planning and finance mechanisms to secure long-term commitments

Reporting & disclosure

IFRS International Financial Reporting Standards · ISSB

CSRD · CSDDD · EU Taxonomy · CBAM

CDP · GRI

TCFD · TNFD · TPT

PRI · REFINITIV · SUSTAINALYTICS

Dow Jones Sustainability Indexes · FTSE4Good · ecovadis

Agendi's international team comprises of multidisciplinary experts across sustainability and climate-related fields

Helena Walsh
Managing Partner

M.S. Climate Change, Management & Finance
B.S. Engineering (sustainable energy systems)
B.S. Computer Science

- ISSB lead
- Business strategist and compliance service development lead
- Team lead on scenario analysis, transition planning and target setting, and climate-related disclosures
- Engineering design expertise in renewable technologies and procurement methods

Victoria Tetzlaff
Manager

MBA Business Administration and Management
BSc. Economics & Business Sciences
CFA ESG Investing

- Agendi's CSRD lead
- Experienced in reporting, strategy, project management, EFRAG-aligned double materiality assessments and various disclosure frameworks
- Background in real estate assets management, transactions and finance

Maria Bianculli
Manager

M.S Advanced Global Studies – Sustainability focus
B.A. Government

- North American regulatory lead
- Experienced consultant with background in international sustainability and development
- Expertise in project management, monitoring/ evaluation of programs, strategic planning
- Experience working with international NGOs, aid agencies, and public-private partnerships

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The identified priorities draw on Agendi's client experience and insight into the policy, market and stakeholder forces

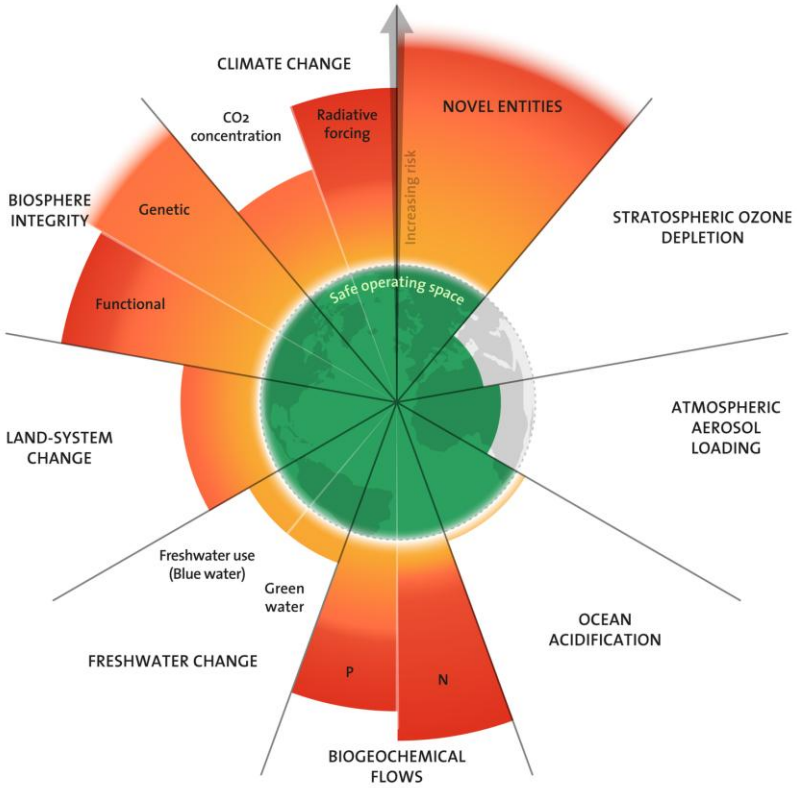
WEF identifies sustainability as a key driver of global instability

	2 years	10 years
1st	Misinformation and disinformation	Extreme weather events
2nd	Extreme weather events	Biodiversity loss and ecosystem collapse
3rd	State-based armed conflict	Critical change to Earth systems
4th	Societal polarization	Natural resource shortages
5th	Cyber espionage and warfare	Misinformation and disinformation
6th	Pollution	Adverse outcomes of AI technologies
7th	Inequality	Inequality
8th	Involuntary migration or displacement	Societal polarization
9th	Geoeconomic confrontation	Cyber espionage and warfare
10th	Erosion of human rights and/or civic freedoms	Pollution

WORLD ECONOMIC FORUM

Top 10 Risks (Jan 2025)

7 of 9 planetary boundaries breached



Azote for Stockholm Resilience Centre, based on analysis in Sakschewski and Caesar Sep 2025

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#1 Political cycles and policy shifts are deepening regulatory fragmentation

Build a disclosure plan

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2025 has been a year of progress and uncertainty in sustainability policy and markets

COP30 Brazilian presidency calls for new global climate governance

Source: Reuters, May 2025

Global breakthrough to tackle shipping emissions

Source: BBC, April 2025

Rowback on EU green rules will harm companies and investors

Robust disclosure of climate risks is not a luxury but a necessity

Source: FT, Aug 2025

EU to push development banks' climate focus despite US opposition, draft shows

Source: Reuters, Oct 2025

BoE watchdog tells banks and insurers to fix climate risk 'gaps'

Most lenders did not consider the issue a material danger except for the 'reputational risk', PRA said

Source: FT, April 2025

Tories pledge to scrap landmark climate legislation

Source: BBC, Oct 2025

US pushes financial regulators to backtrack on climate risk project

Source: FT, May 2025

US to scrap landmark finding that sets limit on carbon emissions

Source: BBC, July 2025

Global regulations have been steadily increasing, with most countries aligning requirements with ISSB

ISSB

There are currently 34+ jurisdictions on the journey:

17 are Finalised
including Australia, Brazil, Mexico, Nigeria, Tanzania, Türkiye etc.

19+ are In Progress
Including Canada, Costa Rica, China, India, Japan, Switzerland, Uganda, the UK etc.

Country sample that have proposed mandatory and voluntary climate risk and opportunity disclosures aligned with ISSB

U.K.

UK SRS
In progress

Disclosure:
Aligned with ISSB (IFRS S1 & S2)

Coverage & Timeline:
UK-listed companies. Date **TBD.**

More information expected Q4 2025

Australia

AASB S2
Mandatory

Disclosure:
Aligned with ISSB (IFRS S2)

Coverage & Timeline:
Various thresholds with phase in approach, with first wave in **2026** and continued through **2028**

Canada

CSDS 1 & 2
Voluntary

Disclosure:
Aligned with ISSB (IFRS S1 & S2)

Coverage & Timeline:
Large, publicly listed Canadian companies. Voluntary implementation in **2025**, mandatory **TBD**

36 jurisdictions are adopting the ISSB standards, or are taking steps to introduce the standards

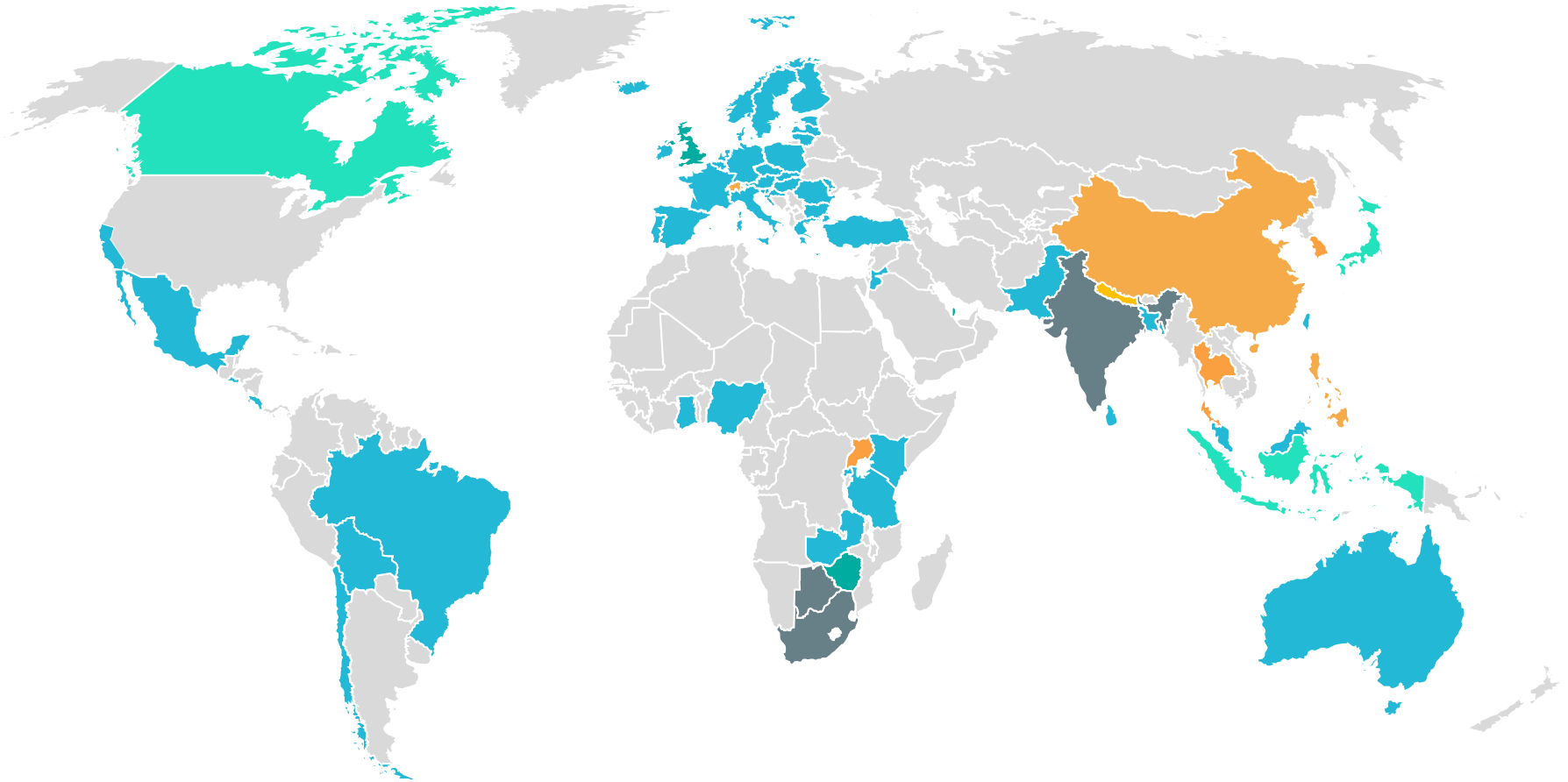
Global adoption (or steps towards) ISSB, currently represents:

60% Global GDP

40+% Global market capitalisation

60+% Global GHG emissions

Source: IFRS (June 2025)



Commitment | Consultation | Finalised | Adopted | Comment letter review | Plans to adopt

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The EU CSRD is established as the most extensive and far-reaching sustainability reporting regulation

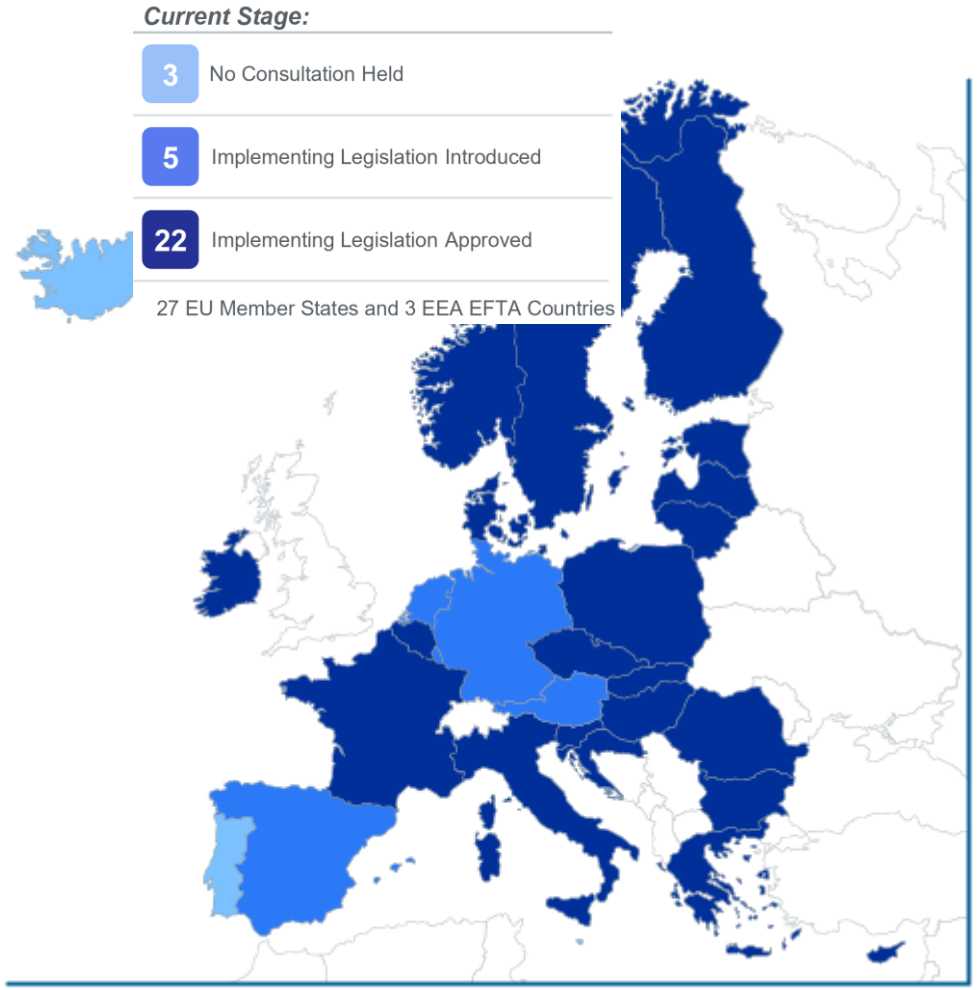
EU

CSRD, Omnibus

Mandatory

Disclosure: **CSRD (Partially aligned with ISSB)**, among other disclosure regs CSDDD, EU Taxonomy, EU CBAM)

CSRD Coverage & Timeline: **Various thresholds** with phase in approach, with first wave in **2025** and continued through **2029**



- Simplification to reporting and DMA
- "Stop the clock"

Current Status

- Omnibus ongoing, Trilogue expected to commence Nov 2025
- ESRS standard simplification ongoing, finalisation expected end of Nov 2025

Source: Ropes & Gray Transposition Tracker Sep 2025

US state-level regulations* are gaining momentum and have the potential to impact 10,000+ companies

Alignment:

TCFD

ISSB

California

SB 253, SB 261, SB 219

Passed

SB253

Disclosure: **Scopes 1, 2, and 3** (assured)

Coverage: **$1B+**

Effective in: **2026, 2027**

SB261

Disclosure: **Climate Risks and Opportunities**

Coverage: **$500M+**

Effective in: **2026**

New York

SB 3456, SB 3697

To be reintroduced

SB 3456

Disclosure: **Scopes 1 & 2** (assured), **Scope 3** (assurance TBC)

Coverage: **$1B+**

Effective in: **2027, 2028**

SB 3697

Disclosure: **Climate Risks and Opportunities**

Coverage: **$500M+**

Effective in: **2028**

New Jersey

SB 4117

Introduced

SB 4117

Disclosure: **Scopes 1 & 2** (assured), **Scope 3** (assurance TBC)

Coverage: **$1B+**

Effective in: **2028 (TBD)**

Illinois

HB 3673

Introduced**

HB 3673

Disclosure: **Scopes 1, 2, and 3** (with assurance)

Coverage: **$1B+**

Effective in: **2027, 2028**

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** The status of legislation changes frequently, and this list may be non-exhaustive*
***HB 3673 brings forth the content of HB 4268 with adjusted timelines*

2025 has been a year of progress and uncertainty in sustainability policy and markets

Key challenges

- Political turnover and regulatory delays create uncertainty in timing and scope
- Fragmented global frameworks increase complexity for multinationals
- Due diligence and supply chain mandatory regulation

Implications for business

- Expect greater enforcement and scrutiny in 2026
- Need for internal alignment between sustainability, finance, and legal functions

#2 Frameworks are shifting in 2026 - be ready to adapt

Track framework updates and assess implications

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With multiple sustainability frameworks due for revision in 2026, agility and governance integration will define leaders

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Standards revision

- Major revision of Corporate, Scope 2 and 3 standards to strengthen consistency and transparency
- Proposed shift to time- and location-based renewable energy matching for Scope 2 with impact metrics

ISO Partnership

- Partnership with ISO to bring unified global GHG accounting rules

SCIENCE BASED TARGETS

SBTi Net-Zero V2.0

- Implementation of Net-Zero V2.0 expected 2026/2027
- Draft strengthens validation criteria and progress disclosure

Mandatory 5-year reviews

- Five-year target reviews formalised, with many due in 2026
- Non-conforming targets must be updated to latest criteria

CDP

- Year-on-year alignment with ISSB, TNFD and EU disclosure frameworks
- Integration of biodiversity, plastics and transition-plan modules
- Increasing role as central ISSB-aligned disclosure platform for investors and regulators

TNFD TRANSITION PLANS

- Draft guidance consulted 2025; pilots underway
- Final version due late 2025; 2026 marks first broad corporate adoption

TISFD

- Beta framework release expected late 2025 with pilot testing to follow

#3 Focus where value and impact are highest

Use materiality to guide strategy

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Amid resource constraints and shifting demands, materiality is your guide for prioritising impact and value

- **Double materiality** identifies issues that drive both enterprise value and societal outcomes
- **Materiality must be dynamic with continuous reassessment** adapting as risks, markets, and stakeholder priorities evolve
- **A quantitative approach** to materiality strengthens consistency, comparability, and strategic alignment
- **Prioritising your highest-impact levers** delivers measurable progress and stronger accountability

IFRS Guidance: Financial materiality

EFRAG Guidance: Double materiality

GRI Guidance: Impact materiality

#4 Stakeholders and capital markets price delivery not ambition

Develop (and stress-test) a transition plan

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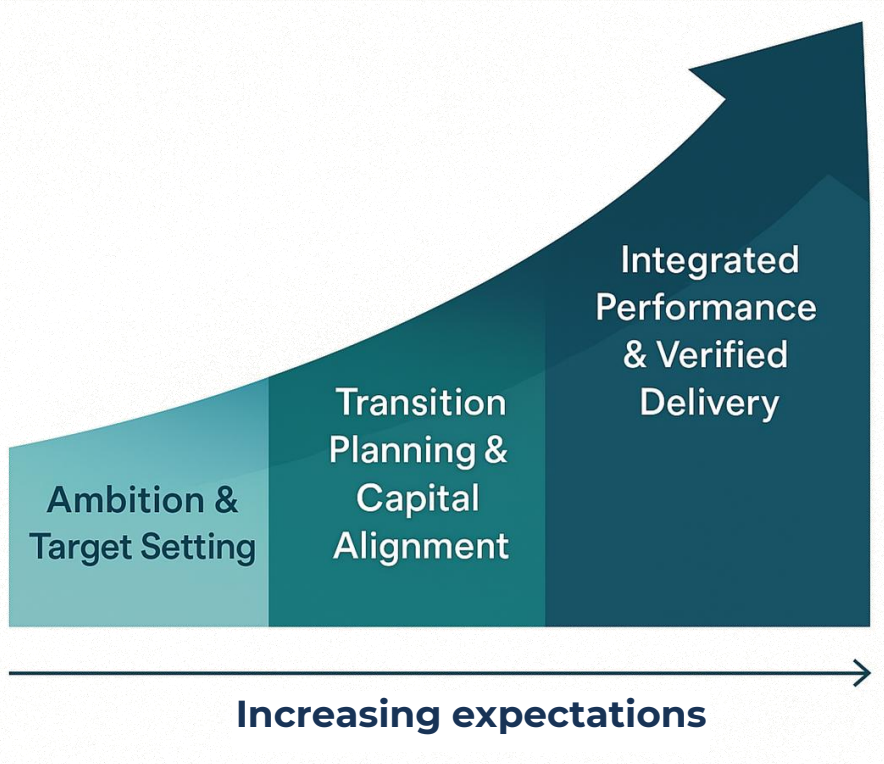
Markets have shifted from rewarding ambition to valuing delivery - execution credibility now defines leadership



Transition plan key elements

Ambition and vision	Pathway to becoming a low-carbon entity
Metrics & Targets incl. financial planning	Short/medium/long-term goals, financing & decarbonisation strategy, GHG inventory and development over past years
Implementation	Real economy investments & financing mechanisms
Risk & Opportunity	Manage climate risks and maximise opportunities identified through scenario analysis (incl. financial impact assessment)
Engagement	Stakeholder & value chain actions, risk management, potential public policy engagement
Governance	Clear accountability, oversight, and interim reporting

#5 Decisions and disclosures stand on data quality

Strengthen data controls, governance, and methodology integrity

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High-quality data underpins credible disclosure, informed decisions and investor trust

Basic data management

Data collected manually or across disconnected platforms, with limited traceability and reliance on proxy or spend-based data

Connected value chain data

Transition to activity-based and supplier-specific information as ESG, operational and financial systems begin to connect

Single source of truth

Automated, standardised and assured data flows enable real-time insights, transparent reporting and verified performance tracking

Assurance: Delivering decision-useful information for stakeholders requires assurance to be embedded across each data management step

#6 Market confidence requires resilient, traceable value chains

Engage your value chain

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Value chain transparency is critical — emissions and dependencies drive the majority of corporate impact and risk

Environmental Risks
High GHG emissions, deforestation, biodiversity loss, water stress, pollution

Social Risks
Labor rights violations, unsafe working conditions, human rights issues

Business Risks
Supply chain disruptions from extreme weather events, regulatory non-compliance, reputational damage

Data & Transparency Gaps
Limited visibility into value chain data, inconsistent reporting, siloed supplier data

Market confidence depends on transparent, resilient and traceable value chains that demonstrate accountability for emissions, nature and human rights

Identify & Map	Engage & Enable	Assure & Improve
Identify high-risk and high-impact hotspots throughout value chain	Build stakeholder engagement strategy, capacity, data sharing, and emissions tracking mechanisms	Integrate traceability systems and third-party verification to validate progress

Companies that build transparent and resilient value chains now will secure market confidence and regulatory readiness for 2026

#7 Investors are seeking quantified climate disclosures to inform decisions

Integrate financial metrics into resilience planning

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Investors seek quantified, climate disclosures that connect risk, resilience, and returns i.e. decision-useful information

Source: TCFD financial impacts of climate-related risks and opportunities

Quantitative scenario analysis and financial modelling are becoming mainstream expectations (ISSB)

From exposure to financial impact assessment

- Translate exposure into business-relevant metrics
- Integrate into enterprise risk and strategic planning
- Quantify financial impacts
- Validate, assure and disclose
- Institutionalise continuous improvement

#8 For companies that interface with nature, disclosure expectations are rising

Apply LEAP approach to assess impacts and dependences

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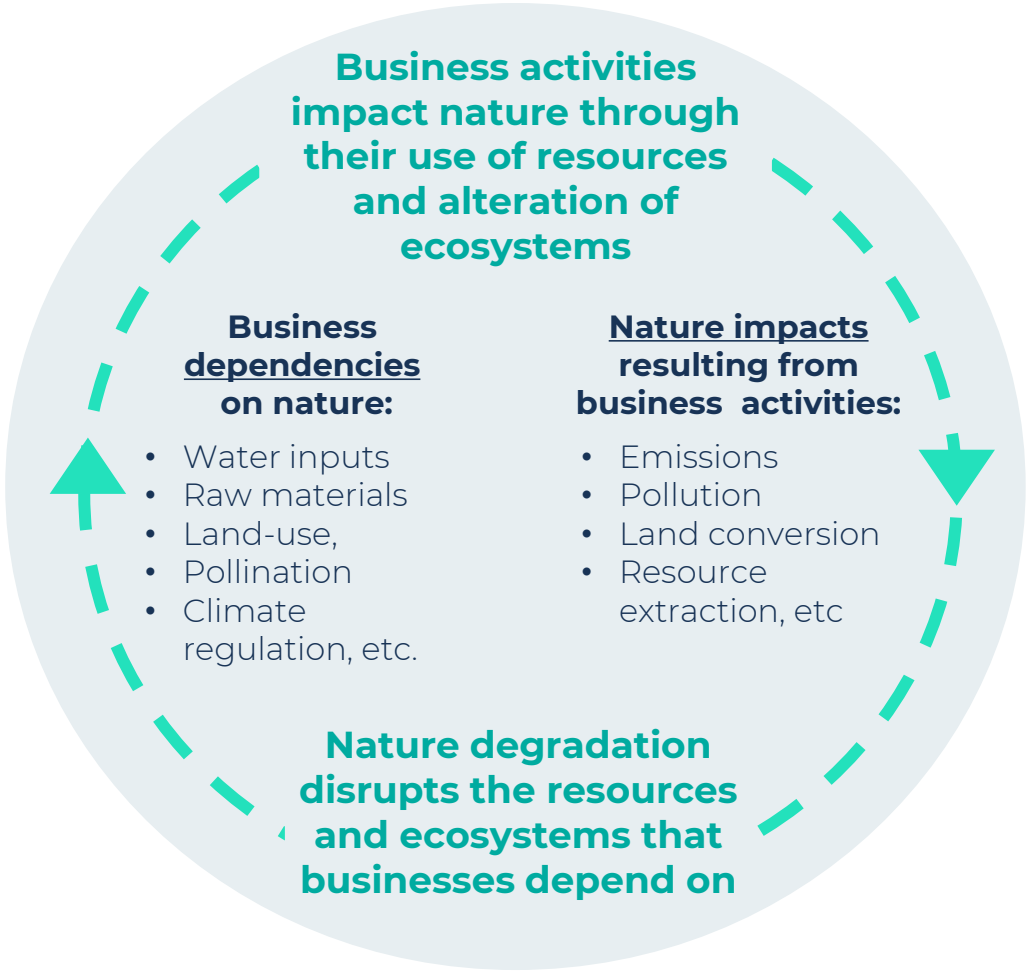
Businesses both depend on and impact on nature, which translates into potential cost, continuity & capital implications

What we mean by 'nature':

The natural world, including land, water, biodiversity, and the atmosphere that underpins ecosystem services that businesses and society rely on



Example financial impacts of nature and dependencies:

- **Water stress:** higher operating costs and supply disruption
- **Land degradation:** reduced productivity and asset value
- **Biodiversity loss:** project delays and reputational risk
- **Pollution:** fines, remediation, and financing constraints
- **Resource depletion:** input scarcity and cost volatility

TNFD IFRS International Financial Reporting Standards ISSB CSRD GRI

Investors and regulators are linking ecosystem dependencies to business performance and disclosure

The LEAP framework provides a practical approach to understand, assess and act on nature-related dependencies and impact

→ The results can feed into your materiality assessment

TNFD Taskforce on Nature-related Financial Disclosures

L	E	A	P
Locate	**Evaluate**	**Assess**	**Prepare**
Identify where your business interacts with nature across its operations and value chain	Examine the business' key dependencies and impacts on nature, such as land, water and biodiversity	Determine which nature-related risks and opportunities are most material to the business	Develop responses, targets and disclosures to manage risks and integrate nature into decision-making

#9 AI offers transformative potential but comes with constraints

Embed AI governance in sustainability systems

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AI is enhancing sustainability reporting and risk management, but governance and ethical oversight are vital

Value of AI	AI Considerations	Mitigation and Avoidance Tips
Efficiency and productivity of data analysis, monitoring, predictive risk modeling	Biased, unverified or potentially inaccurate data can compromise credibility	Balance efficiency with oversight to ensure accuracy and integrity of results
Enhanced data processing, simplifying decision making	Intellectual property and data privacy concerns	Establish guidelines to limit IP and privacy risk within ESG and other operations
Broad integration across tasks and operations	Emissions impact of overuse on energy and water consumption	Utilise guidelines to provide structured prompt tips and minimise overuse

#10 Trust depends on a just and inclusive transition

Prepare for TISFD and just transition reporting

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A credible sustainability transition must be socially inclusive - trust depends on fairness, transparency, & shared benefit

Climate Change is exacerbating existing inequalities

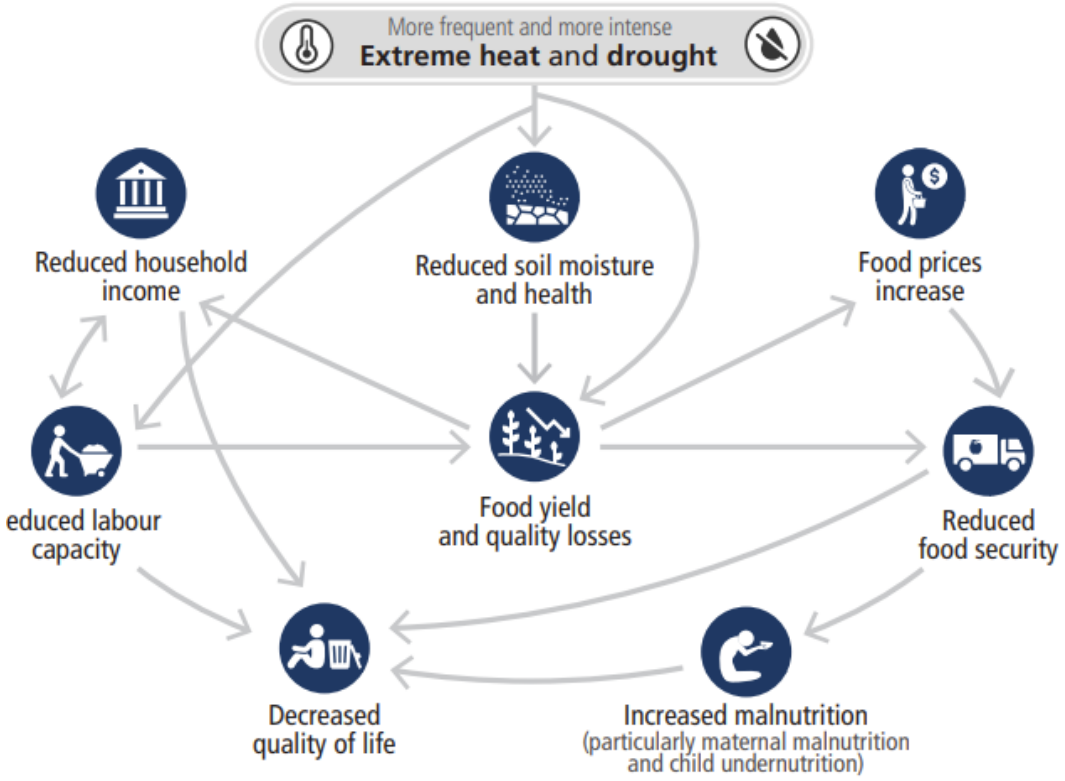
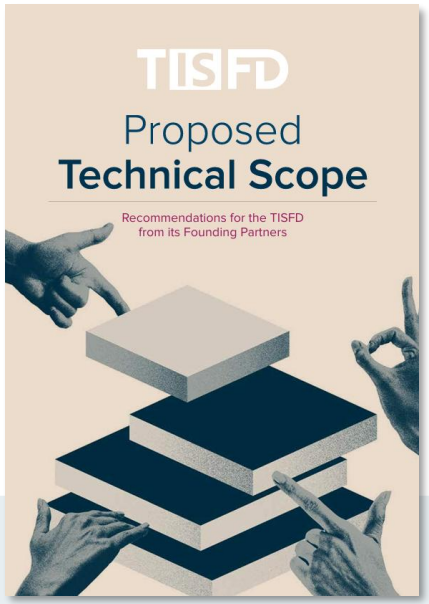
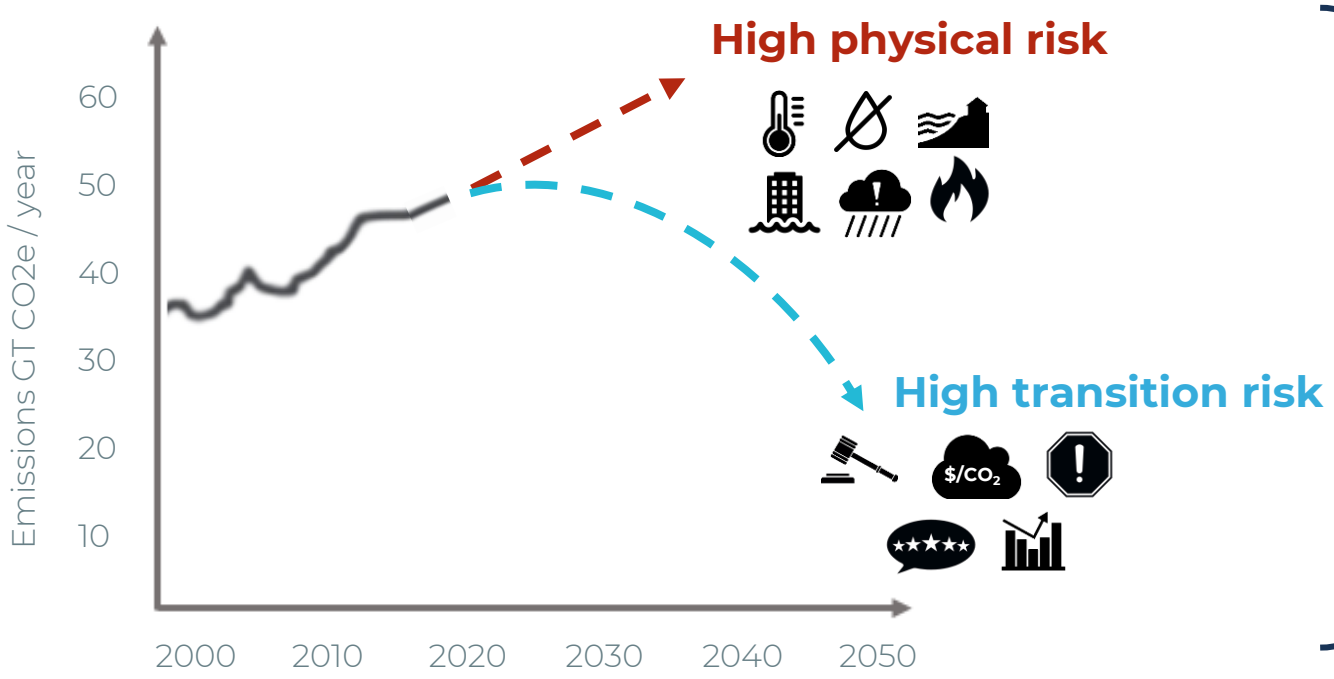


Image source: IPCC Sixth Assessment Report



The Taskforce on Inequality and Social-related Financial Disclosures (TISFD) is expected to launch a finalised framework in Q3 2026

A credible sustainability transition must be socially inclusive—trust depends on fairness, transparency, and shared benefit



Business impacts of ineffective consideration of a just transition

- Talent loss and skills gaps
- Rising compliance and legal costs
- Brand erosion and customer churn
- Project delays from local opposition
- Legal action over unjust impacts
- Investor scrutiny and ESG downgrades
- Supply chain instability
- Lost growth in emerging markets

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Building resilience means turning sustainability priorities into action across strategy, data and delivery

Diagnose 1.

Understand where your company stands on the 2026 priorities

- Assess materiality
- Review policy exposure
- Evaluate frameworks
- Identify readiness gaps

Design 2.

Translate priorities into a company-wide strategy

- Update transition plans
- Set measurable KPIs
- Align governance
- Determine resource allocation

Deliver 3.

Embed action across your operations and value chain

- Integrate data systems
- Engage suppliers
- Implement innovation programmes

Disclose 4.

Demonstrate progress with transparency and assurance

- Seek assurance
- Align with required frameworks

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The next phase of sustainability is about integrating climate, nature, data, and equity into verifiable action

1	**Political cycles and policy shifts are deepening regulatory fragmentation**	Build a disclosure plan
2	**Frameworks are shifting in 2026 - be ready to adapt**	Track framework updates and assess implications
3	**Focus where value and impact are highest**	Use materiality to guide strategy
4	**Stakeholders and capital markets price delivery not ambition**	Develop (and stress-test) a transition plan
5	**Decisions and disclosures stand on data quality**	Strengthen data controls, governance, and methodology integrity
6	**Market confidence requires resilient, traceable value chains**	Engage your value chain
7	**Investors are seeking quantified climate disclosures to inform decisions**	Integrate financial metrics into resilience planning
8	**For companies that interface with nature, disclosure expectations are rising**	Apply LEAP approach to assess impacts and dependences
9	**AI offers transformative potential but comes with constraints**	Embed AI governance in sustainability systems
10	**Trust depends on a just and inclusive transition**	Prepare for TISFD and just transition reporting

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