IPSASB SRS™ STANDARDS

GLOSSARY OF DEFINED TERMS IN IPSASB SRS STANDARDS

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GLOSSARY OF DEFINED TERMS IN IPSASB SRS STANDARDS

This Glossary contains all terms defined in the IPSASB SRS Standards approved up to January 31, 2026. A list of these IPSASB SRS Standards is located after this Glossary.

Definitions

References to IPSASB SRS Standards are by Standard number and paragraph number. For example, 1.6 refers users to IPSASB SRS 1, *Climate-related Disclosures*, paragraph 6.

Term	Definition	Location
carbon credit	An emissions unit that is issued by a carbon crediting program and represents an emission reduction or removal of greenhouse gases. Carbon credits are uniquely serialized, issued, tracked and cancelled by means of an electronic registry.	1.6
climate resilience	The capacity of an entity to adjust to climate-related changes, developments or uncertainties. Climate resilience involves the capacity to manage climate-related risks and benefit from climate-related opportunities, including the ability to respond and adapt to climate-related transition risks and climate-related physical risks. An entity's climate resilience includes both its strategic resilience and its operational resilience to climate-related changes, developments and uncertainties.	1.6
climate-related physical risks	Risks resulting from climate change that can be event-driven (acute physical risk) or from longer-term shifts in climatic patterns (chronic physical risk). Acute physical risks arise from weather-related events such as storms, floods, drought or heatwaves, which are increasing in severity and frequency. Chronic physical risks arise from longer-term shifts in climatic patterns including changes in precipitation and temperature which could lead to sea level rise, reduced water availability, biodiversity loss and changes in soil productivity.	1.6
climate-related risks	The potential negative effects of climate change on an entity. These risks are categorized into climate-related physical risks and climate-related transition risks.	1.6
climate-related opportunities	The potential positive effects of climate change on an entity. Efforts to mitigate and adapt to climate change can produce climate-related opportunities for an entity.	1.6
climate-related transition plan	An aspect of an entity's overall strategy that lays out the entity's targets, actions or resources for its transition towards a lower-carbon economy, including actions such as reducing its greenhouse gas emissions.	1.6
climate-related transition risks	Risks that arise from efforts to transition to a lower-carbon economy. Transition risks include policy, legal, technological, market and reputational risks.	1.6
CO_2 equivalent	The universal unit of measurement to indicate the global warming potential of each greenhouse gas, expressed in terms of the global warming potential of one unit of carbon dioxide. This unit is used to evaluate releasing (or	1.6

Term	Definition	Location
	avoiding releasing) different greenhouse gases against a common basis.	
financed emissions	The portion of gross greenhouse gas emissions of an investee or counterparty attributed to the loans and investments made by an entity to the investee or counterparty. These emissions are part of Scope 3 Category 15 (investments) as defined in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	1.6
general purpose financial reports	Reports that provide financial and non-financial information about a reporting entity that is useful to primary users in making decisions and to enable accountability. General purpose financial reports include—but are not restricted to—an entity's general purpose financial statements and climate-related disclosures.	1.B1
global warming potential	A factor describing the radiative forcing impact (degree of harm to the atmosphere) of one unit of a given greenhouse gas relative to one unit of CO_2.	1.6
greenhouse gases	The seven greenhouse gases listed in the Kyoto Protocol— carbon dioxide (CO_2); methane (CH_4); nitrous oxide (N_2O); hydrofluorocarbons (HFCs); nitrogen trifluoride (NF_3); perfluorocarbons (PFCs) and sulfur hexafluoride (SF_6).	1.6
indirect greenhouse gas emissions	Emissions that are a consequence of the activities of an entity, but occur at sources owned or controlled by another entity.	1.6
internal carbon price	A price used by an entity to assess the financial implications of changes to investment, production and consumption patterns, and of potential technological progress and future emissions abatement costs. An entity can use internal carbon prices for a range of applications. Two types of internal carbon prices that an entity commonly uses are: (a) A shadow price, which is a theoretical cost or notional amount that the entity does not charge but that can be used to understand the economic implications or trade-offs for such things as risk impacts, new investments, the net present value of projects, and the cost and benefits of various initiatives; and (b) An internal tax or fee, which is a carbon price charged to an operational activity, or other operating unit based on its greenhouse gas emissions (these internal taxes or fees are similar to intra-group charges).	1.6
latest international agreement on climate change	The most recent agreement by central governments and states to combat climate change, setting norms and targets for a reduction in greenhouse gases.	1.6
long-term fiscal sustainability	The ability of an entity to meet service delivery and financial commitments, both now and in the future.	1.6

Term	Definition	Location
material information	Information that, if omitting, misstating or obscuring it could reasonably be expected to influence the discharge of accountability by the entity, or the decisions that primary users make on the basis of the entity's general purpose financial reports prepared for that reporting period.	1.B1
operational model	an entity's system of transforming inputs through its activities into outputs and outcomes that aims to fulfill the entity's objectives.	1.6
primary users of general purpose financial reports (primary users)	Existing and potential service recipients and their representatives and resource providers and their representatives.	1.B1
scope 1 greenhouse gas emissions	Direct greenhouse gas emissions that occur from sources that are owned or controlled by an entity.	1.6
scope 2 greenhouse gas emissions	Indirect greenhouse gas emissions from the generation of purchased or acquired electricity, steam, heating or cooling consumed by an entity. Purchased and acquired electricity is electricity that is purchased or otherwise brought into an entity's boundary. Scope 2 greenhouse gas emissions physically occur at the facility where electricity is generated.	1.6
scope 3 greenhouse gas emissions	Indirect greenhouse gas emissions (not included in Scope 2 greenhouse gas emissions) that occur in the value chain of an entity, including both upstream and downstream emissions. Scope 3 greenhouse gas emissions include the Scope 3 categories in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	1.6
scope 3 categories	15 categories of Scope 3 greenhouse gas emissions—as described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011): (1) Purchased goods and services; (2) Capital goods; (3) Fuel- and energy-related activities not included in Scope 1 greenhouse gas emissions or Scope 2 greenhouse gas emissions; (4) Upstream transportation and distribution; (5) Waste generated in operations; (6) Business travel; (7) Employee commuting; (8) Upstream leased assets; (9) Downstream transportation and distribution; (10) Processing of sold products;	1.6

Term	Definition	Location
	(11) Use of sold products; (12) End-of-life treatment of sold products; (13) Downstream leased assets; (14) Franchises; and (15) Investments.	
value chain	The full range of interactions, resources and relationships related to a reporting entity's operational model and the external environment in which it operates, including other public sector entities. A value chain encompasses the interactions, resources and relationships an entity uses and depends on to create its goods or provide services from conception to delivery, consumption and end-of-life, including interactions, resources and relationships in the entity's operations, such as human resources; those along its supply and distribution channels, such as materials and service sourcing, and service and/or product delivery; and the financing, geographical, geopolitical and regulatory environments in which the entity operates.	1.6