

IFRS® SUSTAINABILITY DISCLOSURE STANDARDS (ISSB STANDARDS)— APPLICATION AROUND THE WORLD



JURISDICTIONAL PROFILE: Hong Kong SAR

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This profile provides information about the application of ISSB Standards in Hong Kong SAR. The ISSB Standards are developed and issued in the public interest by the International Sustainability Standards Board (ISSB). The ISSB is a standard-setting body of the IFRS Foundation (Foundation), an independent, not-for-profit organisation.

The Foundation has prepared this profile applying an analysis that is in accordance with the [Inaugural Jurisdictional Guide for the adoption or other use of ISSB Standards](#) (Jurisdictional Guide) and based on information provided by jurisdictional authorities in response to a questionnaire the Foundation issued on the regulatory approach to the use of the ISSB Standards. The Foundation invited the questionnaire's respondent and international accounting firms to review a draft of the profile.

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Description of the jurisdictional approach

Jurisdictional approach towards the adoption or other use of ISSB Standards¹
Updated 12 June 2025

	Current ²	Target ³
Jurisdictional approach	Partially incorporating ISSB Standards and Permitting the use of ISSB Standards	Fully adopting ISSB Standards <i>Based on Financial Services and the Treasury Bureau, Hong Kong SAR Government's roadmap.</i>

¹ Refers to the range of approaches that jurisdictions may take to 'adopt, apply or otherwise be informed by' ISSB Standards when introducing sustainability-related disclosure requirements in their legal and regulatory frameworks, as set out in Section 3.4 of the *Jurisdictional Guide*. This range includes approaches that involve the adoption or other use of IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures* directly, as well as the introduction of local sustainability-related disclosure requirements (or standards) designed to deliver functionally aligned outcomes to those resulting from the application of IFRS S1 and IFRS S2 (referred to as 'requirements with functionally aligned outcomes').

² The current approach describes the most up-to-date status of a jurisdiction's sustainability-related disclosure requirements reflecting what entities in the jurisdiction are required or permitted to apply at the time the jurisdictional profile is published.

³ The target approach describes the stated jurisdictional target that a jurisdiction aims to achieve for sustainability-related disclosure requirements reflecting either the final milestone in the jurisdictional roadmap or requirements that have already been introduced by law or regulation but where application by entities will only be required at a future date. Based on the Roadmap on Sustainability Disclosure in Hong Kong launched by the Financial Services and the Treasury Bureau of the Hong Kong Special Administrative Region, Hong Kong SAR aims to meet its target by 2028.

Regulatory approach to sustainability-related disclosures

Has the relevant authority(ies) in the jurisdiction published a decision to require sustainability-related financial disclosures?	Yes.
Does the jurisdiction's regulatory framework for sustainability-related disclosures adopt or otherwise use ISSB Standards?	Yes.
Description of and links to the relevant announcement, roadmap, standards and/or law or regulation.	<p>The Chief Executive of the Hong Kong Special Administrative Region (HKSAR) announced in his Policy Address in October 2023 that the HKSAR Government would work with financial regulators and stakeholders to develop a roadmap on the appropriate adoption of the ISSB Standards to align with international standards. The Chief Executive of the HKSAR further announced in his Policy Address in October 2024 that the Financial Services and the Treasury Bureau (FSTB) of the HKSAR Government would launch in 2024 a roadmap on the full adoption of the ISSB Standards.</p> <p>The FSTB launched the Roadmap on Sustainability Disclosure in Hong Kong (Roadmap) in December 2024, setting out Hong Kong's approach to require all publicly accountable entities (PAEs) to report using the ISSB Standards. It provides a defined pathway for the initial application of the ISSB Standards by large PAEs no later than 2028.</p> <p>The milestones in the Roadmap include:</p> <ol style="list-style-type: none"> 1. The Hong Kong Exchanges and Clearing Limited (HKEX) introduced enhanced climate-related disclosure requirements developed based on IFRS S2 (referred to as the 'New Climate Requirements') under its Listing Rules framework. The New Climate Requirements came into effect on 1 January 2025 and are to be implemented by all companies listed on HKEX in phases. 2. The Hong Kong Institute of Certified Public Accountants (HKICPA) issued the HKFRS Sustainability Disclosure Standards (Hong Kong Sustainability Disclosure Standards) that are fully aligned with the ISSB Standards, with an effective date of 1 August 2025 for voluntary application. HKEX will consult in 2027 on mandating sustainability reporting in accordance with Hong Kong Sustainability Disclosure Standards for listed PAEs, with an expected effective date of 1 January 2028.

3. Relevant financial regulators will require financial institutions carrying a significant weight (being non-listed PAEs) to apply the Hong Kong Sustainability Disclosure Standards no later than 2028.

Summary of the timeline for the application of the jurisdiction's sustainability-related disclosure requirements by entities in the jurisdiction.

All listed issuers are required to disclose scope 1 and scope 2 greenhouse gas (GHG) emissions on a mandatory basis for financial years commencing on or after 1 January 2025.

All Main Board listed issuers are required to report on the New Climate Requirements (other than scope 1 and scope 2 GHG emissions which are required to be disclosed by all issuers) on a 'comply or explain' basis for financial years commencing on or after 1 January 2025.

LargeCap Issuers (i.e., Hang Seng Composite LargeCap Index constituents) will be required to report on the New Climate Requirements on a mandatory basis for financial years commencing on or after 1 January 2026.

GEM (small- to mid-sized) listed issuers are encouraged to report on the New Climate Requirements (other than scope 1 and scope 2 GHG emissions which are required to be disclosed by all issuers) for financial years commencing on or after 1 January 2025, on a voluntary basis.

HKEX will consult in 2027 on mandating sustainability reporting in accordance with Hong Kong Sustainability Disclosure Standards for listed PAEs, expected to be effective for financial years commencing on or after 1 January 2028.

Relevant financial regulators will require financial institutions carrying a significant weight (being non-listed PAEs) to apply the Hong Kong Sustainability Disclosure Standards no later than 2028.

Extent of application of ISSB Standards

Requirements

Applicable ISSB

Standards: which ISSB Standards does the legal or regulatory framework adopt or otherwise use?

Current	Target
<p>HKEX's New Climate Requirements based on IFRS S2 <i>Climate-related Disclosures</i> are required for listed companies.</p> <p>Application of IFRS S1 <i>General Requirements for Disclosure of Sustainability-related Financial Information</i> and IFRS S2 <i>Climate-related Disclosures</i> is permitted and reports prepared in compliance with IFRS S1 and IFRS S2 will be considered to have met the requirements of the New Climate Requirements.</p>	<p>HKFRS S1 and S2 which are fully aligned with IFRS S1 <i>General Requirements for Disclosure of Sustainability-related Financial Information</i> and IFRS S2 <i>Climate-related Disclosures</i>.</p>

Scope: what information is an entity in the jurisdiction required to disclose?

Current	Target
<p>Information determined by an entity's board of directors to be sufficiently important to investors and other stakeholders should be reported.</p> <p>For the purpose of HKEX's New Climate Requirements, an entity must disclose information about climate-related risks and opportunities that could reasonably be expected to affect its cash flows, its access to finance or cost of capital over the short, medium or long term.</p>	<p>Material information about the sustainability-related risks and opportunities that could reasonably be expected to affect its cash flows, its access to finance or the cost of capital over the short, medium or long term.</p>

Focus: at whom is the information provided by sustainability-related disclosure requirements in the jurisdiction focused?

Existing and potential investors, lenders and other creditors.

<p>Placement of disclosures: does the jurisdiction require that an entity include sustainability-related financial disclosures as part of its general purpose financial reports?</p>	<p>Current</p> <p>No—however, the HKEX listing rules permit the information to be included in an entity’s general purpose financial reports or in a separate sustainability report.</p>	<p>Target</p> <p>Yes—when, as anticipated in the Roadmap, Hong Kong Sustainability Disclosure Standards are mandated, the Standards require disclosures to be included in general purpose financial reports.</p>									
<p>Timing of reporting: does the jurisdiction require that an entity report sustainability-related financial disclosures at the same time as its related financial statements?</p>	<p>Yes. Under the HKEX’s Environmental, Social and Governance Reporting Code (ESG Code) (including Part D Climate Disclosures) requirements, the issuer is required to publish the ESG report at the same time as the annual report.</p> <p>Hong Kong Sustainability Disclosure Standards include the requirement that sustainability-related financial disclosures are to be published at the same time as the related financial statements, as required by IFRS S1 (subject to transition relief for the first annual reporting period, consistent with paragraph E4 of IFRS S1).</p>										
<p>Transition reliefs: do the jurisdiction’s requirements include any extensions of the transition reliefs included in IFRS S1 and IFRS S2?</p>	<table> <tr> <th></th><th>Current</th><th>Target</th></tr> <tr> <td>IFRS S1</td><td>Not applicable as New Climate Requirements do not include IFRS S1.</td><td>No. Hong Kong Sustainability Disclosure Standards do not include extensions of transition reliefs.</td></tr> <tr> <td>IFRS S2</td><td>No. New Climate Requirements do not include extensions of transition reliefs.</td><td>No. Hong Kong Sustainability Disclosure Standards do not include extensions of transition reliefs.</td></tr> </table>			Current	Target	IFRS S1	Not applicable as New Climate Requirements do not include IFRS S1.	No. Hong Kong Sustainability Disclosure Standards do not include extensions of transition reliefs.	IFRS S2	No. New Climate Requirements do not include extensions of transition reliefs.	No. Hong Kong Sustainability Disclosure Standards do not include extensions of transition reliefs.
	Current	Target									
IFRS S1	Not applicable as New Climate Requirements do not include IFRS S1.	No. Hong Kong Sustainability Disclosure Standards do not include extensions of transition reliefs.									
IFRS S2	No. New Climate Requirements do not include extensions of transition reliefs.	No. Hong Kong Sustainability Disclosure Standards do not include extensions of transition reliefs.									

Jurisdictional modifications: do the jurisdiction's requirements include any modifications to the requirements in IFRS S1 and IFRS S2?		Current The New Climate Requirements that are currently in effect under HKEX listing rules include the following differences:	Target Hong Kong Sustainability Disclosure Standards do not include any jurisdictional modifications
	IFRS S1	The New Climate Requirements do not include the requirements of IFRS S1. However, issuers are encouraged to refer to and apply the Implementation Guidance issued by HKEX which contains relevant principles in IFRS S1 for preparing disclosures under the New Climate Requirements.	No.
	IFRS S2	The New Climate Requirements introduce modifications detailed in the comparison table in Appendix V of HKEX's Consultation—Enhancement of Climate-related Disclosures under the Environmental, Social and Governance Framework (April 2024) .	No.

Schedule of differences between ISSB Standards and jurisdictional requirements, if applicable and available.

[COMPARISON TABLE: ISSB CLIMATE STANDARD TO ESG CODE](#) (see Appendix V).

Dual reporting: is 'dual reporting' allowed, such that entities in the jurisdiction may assert compliance both with IFRS Sustainability Disclosure Standards as issued by the ISSB and another set of standards (for example, compliance with both ISSB Standards and the jurisdiction's

Yes.

ESG reports prepared in compliance with the IFRS S1 and IFRS S2 are considered to have complied with the New Climate Requirements. Listed companies may refer to existing international ESG reporting guidance for its relevant industry or sector, or adopt international ESG reporting guidance, including the ISSB Standards, so long as the guidance includes comparable disclosures to those required under HKEX's ESG Code.

sustainability-related disclosure requirements)?

Companies may assert compliance with both Hong Kong Sustainability Disclosure Standards and IFRS Sustainability Disclosure Standards.

Assertion of compliance: does the jurisdiction's legal or regulatory framework require entities to make an explicit and unreserved statement of compliance?

HKEX's New Climate Requirements do not require listed companies to make a statement of compliance.

Listed companies may refer to existing international ESG reporting guidance for its relevant industry or sector, or adopt international ESG reporting guidance, including the ISSB Standards, so long as the guidance includes comparable disclosures to those required under HKEX's ESG Code. ESG reports prepared in compliance with the IFRS S1 and IFRS S2 are considered to have complied with the New Climate Requirements.

Hong Kong Sustainability Disclosure Standards require a statement of compliance with HKFRS Sustainability Disclosure Standards.

Reporting entities

Are all or most⁴ **domestic** publicly accountable entities either required or permitted to comply with the jurisdiction's sustainability-related disclosure requirements?

Current	Target
Yes—required (see <i>Summary of the timeline for the application of the jurisdiction's sustainability-related disclosure requirements</i> section).	Yes—required.
<p>Under HKEX's New Climate Requirements:</p> <ul style="list-style-type: none"> all issuers are required to disclose scope 1 and scope 2 GHG emissions on a mandatory basis for financial years commencing on or after 1 January 2025. For New Climate Requirements other than scope 1 and 2 GHG emissions (e.g., scope 3 GHG emissions), (i) LargeCap Issuers are required to make disclosures on a 'comply or explain' basis for financial years commencing on or after 1 January 2025 and mandatory disclosure for financial years commencing on or after 1 January 2026; (ii) Main Board issuers (other than LargeCap 	Large listed entities and financial institutions carrying a significant weight (being non-listed PAEs) are expected to be required to adopt the Hong Kong Sustainability Disclosure Standards no later than 2028.

⁴ In accordance with the *Jurisdictional Guide*, 'most' publicly accountable entities is intended to capture the weight of the entities in relation to the economy or activity in the jurisdiction, instead of the number of entities subject to the requirements. It is based on the relative weight of listed entities captured by the requirements in relation to the jurisdiction's gross domestic product or the overall market capitalisation in the main equity index.

	<p>Issuers) are required to make disclosures on a 'comply or explain' basis for financial years commencing on or after 1 January 2025; and (iii) GEM (small- to mid-sized) issuers are encouraged to make voluntary disclosure starting 1 January 2025.</p>	
Are entities without public accountability either required or permitted to comply with the jurisdiction's sustainability-related disclosure requirements?	<p>Yes.</p> <p>Businesses not within the definition of PAEs are encouraged to apply the Hong Kong Sustainability Disclosure Standards on a voluntary basis.</p>	
What sustainability-related disclosure requirements apply to foreign publicly accountable entities?	<p>Foreign publicly accountable entities are required to report in accordance with the same framework as domestic entities.</p>	
<p>Reporting entity: do the jurisdiction's requirements specify that an entity's sustainability-related financial disclosures shall be for the same reporting entity as the related financial statements?</p>	<p>Not specified for current reporting.</p> <p>Under HKEX's New Climate Requirements, listed companies are not explicitly required to apply IFRS S1, which specifies that an entity's sustainability-related financial disclosures shall be for the same reporting entity as the related financial statements. However, listed companies are not prevented from reporting sustainability-related financial disclosures for the same entity as the related financial statements and issuers are encouraged to apply the reporting principles in IFRS S1.</p> <p>Hong Kong Sustainability Disclosure Standards specify that an entity's sustainability-related financial disclosures shall be for the same reporting entity as the related financial statements.</p>	

Other sustainability reporting considerations

<p>Additional disclosure requirements: does the jurisdiction require or permit an entity to provide additional disclosures within the report that contains sustainability-related financial disclosures based on ISSB Standards?</p>	<p>Yes.</p> <p>Currently, HKEX listing rules require listed companies to make sustainability-related disclosures in accordance with Part B and Part C of the ESG Code. The HKEX listing rules further permit listed companies to provide additional disclosures in such manner as they see fit.</p>	
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If additional disclosures are permitted or required, what is the basis for such additional information?

In addition to observing the requirements under the New Climate Requirements, issuers must report on Part B of the ESG Code on a mandatory basis and Part C of the ESG Code (which sets out environmental, social and governance disclosure requirements beyond climate) on a 'comply or explain' basis.

Currently, the ESG Code permits issuers to refer to existing international ESG reporting guidance for its relevant industry or sector. An issuer may also adopt international ESG reporting guidance, so long as it includes comparable disclosures to those required under the ESG Code.

Does the jurisdiction require that any such additional disclosures are clearly identified and do not obscure information required by ISSB Standards?

Currently, the New Climate Requirements do not specifically require such additional disclosures to be clearly identified and to not obscure information required by ISSB Standards. However, the ESG Code provides that listed companies should refer to the [Implementation Guidance](#) issued by HKEX when preparing disclosures pursuant to the New Climate Requirements. The Implementation Guidance provides that any additional disclosures shall not obscure information that is material.

The New Climate Requirements (which are based on IFRS S2) are required under Part D of the ESG Code. Other disclosure requirements are set out separately in Part B and Part C of the ESG Code.

Hong Kong Sustainability Disclosure Standards, include the requirement in IFRS S1 that entities ensure that the required sustainability-related financial disclosures are clearly identifiable and not obscured by additional information.

Digital reporting: is digital reporting of sustainability-related disclosures required?

No.

If yes, what digital reporting taxonomy is used (if applicable)?

Not applicable.

Assurance: what level of assurance over sustainability-related disclosures does the jurisdiction require?

Assurance is not currently required.

In 2025, the Accounting and Financial Reporting Council will release a proposed local regulatory framework for sustainability assurance for public consultation.

HKEX plans to conduct a review in 2027, with the aim of launching a market consultation on matters including feedback on mandating assurance for all or part of the sustainability disclosures by listed companies and the approach on phasing-in such requirements, taking account of local developments on sustainability assurance at that time.

Other comments regarding the content of sustainability-related financial reporting or the use of ISSB Standards in the jurisdiction.

The Chinese translation of ISSB Standards used in the New Climate Requirements is provided by the IFRS Foundation under a licence agreement.

Hong Kong Sustainability Disclosure Standards have been developed and issued in English under a contract with the IFRS Foundation.

Jurisdictional authorities

Organisation(s):

Environment and Ecology Bureau, HKSAR Government
Financial Services and the Treasury Bureau, HKSAR Government
Accounting and Financial Reporting Council
Hong Kong Exchanges and Clearing Limited
Hong Kong Monetary Authority
Insurance Authority
Mandatory Provident Fund Schemes Authority
Securities and Futures Commission
Hong Kong Institute of Certified Public Accountants

Role of the organisation(s):	<p>Environment and Ecology Bureau, HKSAR Government (Policy formulation)</p> <p>Financial Services and the Treasury Bureau, HKSAR Government (Policy formulation)</p> <p>Accounting and Financial Reporting Council (Regulator of the accounting profession)</p> <p>Hong Kong Exchanges and Clearing Limited (Stock exchange)</p> <p>Hong Kong Monetary Authority (Central banking institution and banking regulator)</p> <p>Insurance Authority (Regulator of insurers)</p> <p>Mandatory Provident Fund Schemes Authority (Regulator of statutory pension schemes)</p> <p>Securities and Futures Commission (Securities and futures market regulator and regulator of Hong Kong Stock Exchange)</p> <p>Hong Kong Institute of Certified Public Accountants (accounting, sustainability, audit and assurance, and ethics standard setter)</p>
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Website:	<p>https://www.eeb.gov.hk/en/eeb_index.html</p> <p>https://www.fstb.gov.hk/en/</p> <p>https://www.afrc.org.hk/</p> <p>https://www.hkex.com.hk/?sc_lang=en</p> <p>https://www.hkma.gov.hk/eng/</p> <p>https://www.ia.org.hk/en/index.html</p> <p>https://www.mpfa.org.hk/en</p> <p>https://www.sfc.hk/en/</p> <p>https://www.hkicpa.org.hk/</p>
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