

MEMBERS' HANDBOOK

Update No. 319

(Issued 12 December 2024)

This Update relates to the issuance of HKFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and HKFRS S2 *Climate-related Disclosures* (HKFRS SDS).

HKFRS S1 and HKFRS S2 are fully aligned with IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures* (ISSB Standards) issued by the International Sustainability Standard Board. HKFRS S1 and HKFRS S2 are the same as IFRS S1 and IFRS S2 subject to having an effective date of 1 August 2025.

The decision of full alignment was reached by the HKICPA after a holistic assessment of relevant factors, including feedback from public consultations on the exposure drafts of IFRS S1 and IFRS S2 and the exposure drafts of HKFRS S1 and HKFRS S2 conducted in 2022 and 2024 respectively, as well as views collected from a wide range of stakeholders who participated in the technical feasibility study on applying the ISSB Standards in Hong Kong in H1 2024.

As an international financial centre, Hong Kong's full alignment with the ISSB Standards has global significance as it would bolster the connection of global capital with local businesses as well as those in mainland China and other regions. We envision a future where robust and standardised sustainability reporting requirements through the HKFRS SDS would empower companies to drive sustainable growth, foster investor confidence and contribute to a resilient and vibrant economy in Hong Kong.

The [Explanatory Memorandum](#) accompanying HKFRS S1 and S2 provides more information on the following:

- The development journey of the HKFRS SDS;
- Feedback from local consultations;
- Our response to feedback received and our reasons for aligning HKFRS S1 and S2 in full with the ISSB Standards; and
- Impact of the HKFRS SDS on entities in Hong Kong.

Document Reference and Title

Instructions

VOLUME IV

[Contents of Volume IV](#)

Insert the Contents of Volume IV into the binder of Volume IV.

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Section 1: Effective for annual reporting periods beginning on or after 1 August 2025

HKFRS SUSTAINABILITY DISCLOSURE STANDARDS

[HKFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information](#)

Insert HKFRS S1 after Contents of Volume IV.

[HKFRS S2 Climate-related Disclosures](#)

Insert HKFRS S2 after HKFRS S1.