

Asia Sustainability Symposium

Panel 2

**From Policy to Practice:
ISSB Standards in Asia
and Investor Perspectives**

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Panel 2: Discussion Agenda

- Agenda Item 1** **Assessment of and Response to ISSB Standards**
- Agenda Item 2** **What Investors Expect from the Widespread Adoption and Implementation of ISSB Standards**
- Agenda Item 3** **Challenges to the Widespread Adoption and Implementation of ISSB Standards in Asian Capital Markets**
- Agenda Item 4** **Expectations for ISSB's Future Activities**

An Overview: ISSB Alignment in the Asia-Pacific Region



Jurisdictional progress

Americas	Bolivia, Brazil, Canada, Chile, Costa Rica, El Salvador, Mexico, Panama
Asia-Oceania	Australia, Bangladesh, China, Hong Kong SAR, Indonesia, Japan, South Korea, <u>Kyrgyzstan</u> , Malaysia, <u>Nepal</u> , Pakistan, Philippines, Singapore, Sri Lanka, Chinese Taipei, Thailand, <u>Uzbekistan</u>
EMEA	Ethiopia, EU, Ghana, Jordan, Kenya, Nigeria, Qatar, Rwanda, Switzerland, Tanzania, Türkiye, Uganda, UK, Zambia, Zimbabwe

The number of jurisdictions increased from 14 as of June 2025 to 17 as of February 2026.

This list is based on information available to the IFRS Foundation as of 26 February 2026. The jurisdictions listed on this slide are those that have noted publicly that they have adopted or otherwise used ISSB Standards or have announced they will do so.

Source: AP1B: Update on the ISSB's Activities, Global Preparers Forum meeting, 20 March 2026

An Overview: ISSB Alignment in the Asia-Pacific Region

1. Strong Move Toward ISSB Standards in Asia

- As of the **June 2025 IFRS Foundation update**, the Asia-Pacific region represents over one-third of the jurisdictions globally adopting or aligning with ISSB Standards.
- The region is characterized by a **strong move toward a "global baseline,"** or ISSB Standards, though specific implementation scopes (e.g., climate-only vs. full sustainability) vary.

Source: Based on IFRS Foundation, "Jurisdictional Profiles – ISSB Standards" (June 2025); prepared by SAAJ

2. Finalized Jurisdictional Profiles

- **Seven jurisdictions have completed their regulatory consultation and finalized their adoption approach:**
 - ✓ **Australia:** Mandated climate-related disclosures (IFRS S2) for large entities, with reporting beginning for some in 2025.
 - ✓ **Hong Kong SAR:** Fully aligned with ISSB rules. Large-cap issuers must provide full climate disclosures (IFRS S2) by January 2026, with a broader rollout of HKFRS S1 and S2 planned for 2028.
 - ✓ **Malaysia:** Leading the region in full adoption. Bursa Malaysia mandated ISSB-aligned climate disclosures for Main Market companies starting in FY 2025.
 - ✓ **Other Profiled Jurisdictions:** Includes **Bangladesh, Pakistan, Sri Lanka, and Chinese Taipei.**

Source: Based on IFRS Foundation, “Jurisdictional Profiles – ISSB Standards” (June 2025); prepared by SAAJ

3. In-Progress/Consultation Stage Jurisdictional Snapshots

■ Seven jurisdictions are actively aligning but have not yet finalized all regulatory details:

- ✓ **China:** Issued a climate standard based on IFRS S2, though a mandatory timeline for all entities has not been finalized as the jurisdiction continues to chart its own path.
- ✓ **Japan:** Developing standards through the Sustainability Standards Board of Japan (SSBJ). Mandatory reporting for Prime Market companies (capitalization >¥3 trillion) is expected for fiscal years beginning April 2026.
- ✓ **Singapore:** Focusing initially on climate-related disclosures (IFRS S2). Mandatory reporting for listed issuers begins in FY 2025, with plans to expand to large non-listed companies by 2027.
- ✓ **South Korea:** Encouraging voluntary adoption from FY 2026. Korea has introduced specific guidance for its semiconductor and heavy industry sectors but does not currently require the industry-specific data recommended by the ISSB.
- ✓ **Other Snapshot Jurisdictions:** Include **Indonesia, Philippines, and Thailand**

Source: Based on IFRS Foundation, “Jurisdictional Profiles – ISSB Standards” (June 2025); prepared by SAAJ

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