



ESG at a Crossroads — Navigating Global Shifts

Financial Reporting Webinar Series

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With You Today

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Hong Kong: Roadmap on Sustainability Disclosure



Roadmap on Sustainability Disclosure in Hong Kong

Published by the Government of the HKSAR on 10 December 2024

Relevant financial regulators to require non-listed PAEs to apply the HK standards no later than **2028**.

HKICPA published its first sustainability assurance standard HKSSA 5000 in **March 2025**
AFRC to release local regulatory framework for sustainability assurance for public consultation by **the end of 2025**

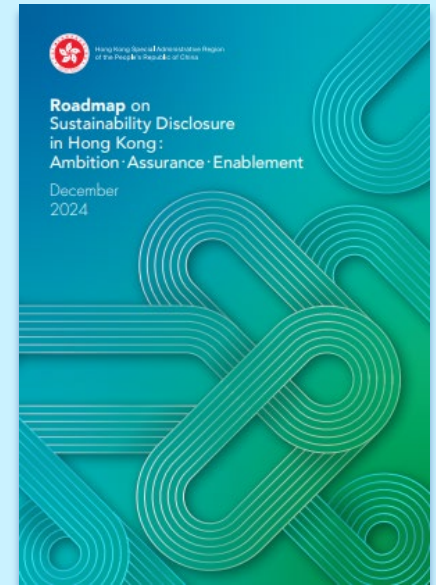
HKICPA issued Hong Kong Sustainability Disclosure Standards ("HKSDSs") on **12 December 2024**

HKEX to launch market consultation in **2027** on mandating sustainability reporting against HKSDSs for listed PAEs, with an expected effective date of **1 January 2028**, and mandating assurance.

Main Board issuers disclose against the New Climate Requirements on a "comply or explain" basis starting from **1 January 2025**.

LargeCap Issuers to disclose against the New Climate Requirements on a mandatory basis starting from **1 January 2026**.

Note: PAEs stand for publicly accountable entities ("PAEs"). Large PAEs in Hong Kong are defined as listed companies which are LargeCap Issuers as well as large non-listed financial institutions carrying a significant weight in Hong Kong.



[Roadmap on Sustainability Disclosure in Hong Kong published by the Government of the HKSAR](#)

Polling Question 1

Which type of the following organisations are you from?

- 📄 A. Hang Seng Composite LargeCap Index constituent (“Large Cap Issuer”)
- 📄 B. Company listed on the Main Board of HKEX, but not a Large Cap Issuer
- 📄 C. Unlisted financial institution belonging to a HKEX listed parent or holding company
- 📄 D. Others



Europe: Omnibus Proposals



EU Update: Omnibus



CSRD 1.1

“Stop the clock”

COM(2025)80



- Postponement of the initial application of the CSRD for companies of wave 2 and wave 3 of reporting
- Adoption by the member states by the end of 2025 (“urgent procedure”)

Published in EU Official Journal and effective since 17 April 2025.

CSRD 2.0

Reduction of CSRD

COM(2025)81



- Definition of new thresholds for CSRD scoping
- Value Chain Cap
- Removal of reasonable assurance requirement
- Removal of mandatory sector-specific standards
- Adoption by the member states within 12 months after entry into force

Currently in discussion by the Council of the EU and the European Parliament.

Simplification of ESRS & EU Taxonomy



- Development of simplified ESRS
- Reduction of the number of data points
- Clarifying provisions deemed unclear
- Improving consistency with other pieces of legislation (e.g. CSDDD and CBAM)

Revision of ESRS by EFRAG in process.

Consultation on EU Taxonomy amendments concluded.

Our Advice to Clients if they are...

QR code to
VSME
standard



Polling Question 2

What do you think is the key driver for ESG reporting?

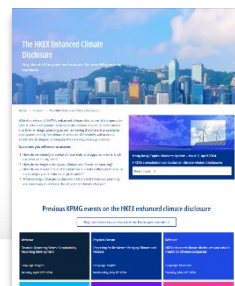
- 🗳️ A. Regulatory compliance
- 🗳️ B. Stakeholder pressures (e.g. investor demand, customer expectations etc)
- 🗳️ C. Risk management
- 🗳️ D. Competitive advantage



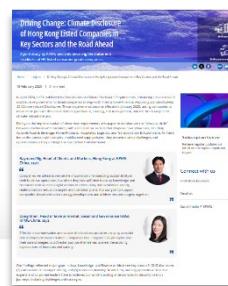
Q&A



KPMG Insights



The HKEX Enhanced Climate Disclosure - KPMG China



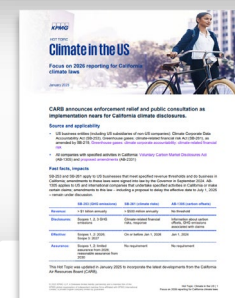
Driving Change: Climate Disclosure of Hong Kong ... - KPMG China



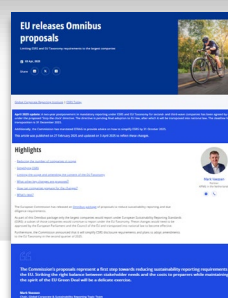
The implications of the FSTB Sustainability Reporting Roadmap for Hong Kong Companies



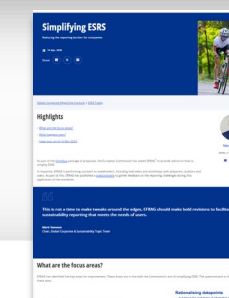
步履不停，可持续披露再添新准则——财政部、生态环境部联合印发《气候准则（征求意见稿）》之解读



Hot Topic: Climate in the US - Focus on 2026 reporting for California climate



EU releases Omnibus proposals



Simplifying ESRs



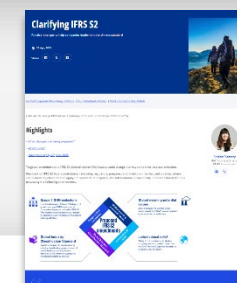
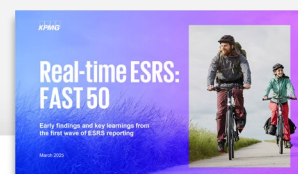
Hot Topic: Sustainability in the EU - Global implications of due diligence acts (April 2025)



Companies' reaction on the Omnibus Proposal



Real-time ESRs: Fast 50



Clarifying IFRS S2



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