
Partially incorporating ISSB Standards

A jurisdiction is described as ‘partially incorporating ISSB Standards’ if it introduces sustainability-related disclosure requirements that include specific content of IFRS S1 and IFRS S2, but with modifications that are not designed to deliver functionally aligned outcomes to those resulting from the application of IFRS S1 and IFRS S2.

Modifications in relation to several features may result in a description of jurisdictional approach of ‘partially incorporating ISSB Standards’. For instance:

- requirements for a subset of publicly accountable entities, but not for ‘all or most’;
- requirements for a reporting entity other than that for which financial reporting requirements apply;
- modifications to the requirements in IFRS S1 and IFRS S2 that are not designed to deliver functionally aligned outcomes (including the adoption of IFRS S2 without adopting the climate-relevant portions of IFRS S1);
- requirements to disclose outside of general purpose financial reports, and/or at a different time to the related financial statements;
- requirements for additional disclosures that could potentially obscure the information required by ISSB Standards; and
- the date when the requirements become applied in the jurisdiction is delayed, or additional transition reliefs/extensions beyond those provided for in transition standard reliefs.

Various combinations of these outcomes may be observed, alongside outcomes that otherwise correspond to an approach of ‘fully adopting ISSB Standards’ (denoted in green in the template). The potential combination of outcomes is presented in the template in lighter orange or green shade/with dashed lines. The observation of any individual outcome, or a combination of several outcomes, marked in orange from among these may result in an approach that corresponds to ‘partially incorporating ISSB Standards’. Determining the description in these cases will require judgement.

Key to navigating the templates

Green indicates outcomes for each feature that may, if observed across all features, correspond to an approach of ‘fully adopting ISSB Standards’ (as described in the jurisdictional profile for the jurisdiction).

Orange indicates outcomes, by feature, that may correspond to a description other than ‘fully adopting ISSB Standards’ (as described in the jurisdictional profile for the jurisdiction).

An outcome of ‘orange’ on any feature will result in a description of a jurisdictional approach other than ‘fully adopting ISSB Standards’. The jurisdictional approach that best describes the jurisdictional strategy will depend on: (i) which feature(s) has (have) an outcome of orange; and (ii) the particular combination of outcomes across features.

In the majority of the templates outcomes of orange are combined with outcomes of green. This helps to highlight the departure(s) from a description of a jurisdictional approach of ‘fully adopting ISSB Standards’, helping the jurisdiction consider the implications of its decisions in a more targeted way.

Decisions resulting in ‘partially incorporating’ could also include decisions on:

- limited or long extension to transition standard reliefs if they are also combined with other outcomes in orange; and
- climate-related reporting if they are also combined with other outcomes in orange or with limited or long extension to transition standard reliefs.

However, these three fields (climate-related reporting, limited and long transition reliefs) have not been shaded in orange as they are addressed in other templates.

Grey indicates outcomes, by feature, that do not impact the description of the jurisdictional approach.

Dashed lines and lighter shades indicate that there is more than one outcome for a feature that may, in combination with other outcomes, result in the same description of the jurisdictional approach.

Unshaded outcomes are those that are not relevant to the jurisdictional approach that is being described.

Regulatory Process

Regulatory or legal standing	No regulatory or legal action taken	Permitted	Required
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Reporting entities

Targeted publicly accountable entities	None	Some	All or most
Publicly accountable entities – market segments	No requirements for listed entities	Some, but not all or most listed entities in the first and second tiers	All or most listed entities
Reporting entity	Not the same reporting entity as for the financial statements	Not specified	Same reporting entity as for the financial statements

Requirements

Degree of alignment	Not aligned to ISSB Standards and requirements not designed to deliver functionally aligned outcomes	Climate-related reporting requirements in ISSB Standards or climate-related reporting requirements designed to deliver functionally aligned outcomes	Full alignment with ISSB Standards or requirements are designed to deliver functionally aligned outcomes
Placement	Outside general purpose financial reports	Not specified	In general purpose financial reports; and disclosed at the same time as the related financial statements
Dual reporting	Required	Permitted	Not required
Jurisdictional modifications	Extensive modifications	Limited modifications	No or not significant modifications
Additional requirements	Volume and presentation of additional disclosures could potentially obscure information required by ISSB Standards	Presentation of additional disclosures does not obscure information required by ISSB Standards	No additional information

Readiness

Effective date	Requirements become effective far into the future	Limited delays	Already effective or effective within a year
Transition reliefs	Additional reliefs and extensions**	Limited extensions* Long extensions*	Transition standard reliefs only

* of transition standard reliefs ** beyond transition standard reliefs