

Blog



A few days ago, as noted in this [press release](#), the ISSB released its initial climate disclosure standards. Two standards were released: IFRS S1 provides a general set of disclosure requirements designed to enable companies to communicate to investors about the sustainability-related risks and opportunities - including addressing governance, strategy, risk management and performance - they face over the short, medium and long term. IFRS S2 sets out specific disclosures for climate-related physical risks, transition risks and opportunities and is designed to be used with IFRS S1.

As noted in this [WSJ article](#): "Despite the strong demand for one standard, U.S. and European Union officials are each developing their own climate reporting regimes. The ISSB has worked closely with American, European, Japanese and Chinese officials, together with the International Organization of Securities Commissions, or Iosco, to develop its rules as a global baseline and work on interoperability between

jurisdictions, but some gaps are expected to remain. The still-to-be-finalized Securities and Exchange Commission rules are expected to take a lighter touch than the ISSB. EU rules require more disclosure, particularly for stakeholders beyond investors."

The ISSB standards were developed to be used in conjunction with any accounting requirements; built on the concepts that underpin the IFRS accounting standards. Now, the ISSB will work with jurisdictions and companies to support adoption, by first creating a Transition Implementation Group to support companies that apply the standards and launching capacity-building initiatives to support effective implementation.

Unfortunately, you have to register with the "[IFRS Sustainability Standards Navigator](#)" to gain access to the standards. Even though they are free, I don't understand when regulations get placed behind any kind of wall...

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