



November 10, 2009

Corporate Communications Department
Hong Kong and Clearing Limited
12th Floor, One International Finance Centre
1 Harbour View Street, Central
Hong Kong

RE: Consultation Paper on New Listing Rules for Mineral and Exploration Companies

To Whom It May Concern:

We are writing to you on behalf of the members of the California State Teachers' Retirement System (CalSTRS). CalSTRS was established for the benefit of California's public school teachers over 96 years ago and is currently the second-largest public pension system in the United States. The CalSTRS portfolio is currently valued at approximately \$130 billion and serves the investment and retirement needs of 833,000 plan participants. The long-term nature of CalSTRS' liabilities, and the global nature of its portfolio, makes the fund keenly interested in the listing rules applied to those companies of which we are an investor.

We commend the Hong Kong Exchange (the Exchange) for producing and seeking comment on the *Consultation Paper on New Listing Rules for Mineral and Exploration Companies*. We fully support the proposed reforms to the listing rules for companies engaged in the exploration and production of natural resources, including minerals, oils, and gases. Movement towards transparency and disclosure rules that are more closely aligned with international standards is a welcomed change.

CalSTRS endorses the questionnaire completed and submitted F&C Asset Management Plc. (F&C). Like CalSTRS, F&C is a long-term investor and keenly interested in pursuing best practices in the areas of governance and sustainable investments. We believe F&C expressed views on the proposed listing rules similar to those of CalSTRS'. Specifically, we strongly support the Exchange's proposal to introduce a disclosure standard related to social and environmental risk factors and encourage the consideration of F&C's response to question 7.1, encouraging the adoption of mandatory minimum standards for disclosure.

Corporate Communications Department
November 10, 2009
Page 2

Thank you for the opportunity to provide comment on the Consultation Paper. If you would like to discuss the proposed rules or this letter further, please feel free to contact my colleague ,

Sincerely,

Director, Corporate Governance