

From:
Sent: Wednesday, March 07, 2012 1:14 PM
To: response
Subject: Consultation Paper on ESG Reporting Guide

Dear Sir or Madam:

Please see below, my comment on the Consultation Paper on ESG Reporting:

Question 1: Should the ESG Guide be a recommended best practice appended to the Listing Rules?

Answer: No

Reasons and alternative views: The ESG Guide should be mandatory, or at least have the level of obligation to “comply or explain”.

As disclosed in the [Stock Exchange Reports on Implementation of Code on Corporate Governance Practices published in September 2010](#), of the 132 issuers reviewed, only 3 (2.2%) disclosed full details of their compliance with all recommended best practices. This indicates that most listed issuers are unwilling to disclose their compliance with recommended best practices given that the disclosure obligation is not mandatory.

As we all know the world is under great pressure in terms of the need to protect the environmental and mitigate climate change, therefore ESG reporting by listed companies is definitely as important as Corporate governance reporting. It is not appropriate for either the Exchange or listed issuers to give a lower priority to the ESG Guide.

Sincerely,