



HKEX's ESG regulatory framework

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HKEX
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HKEX ESG development



Current ESG requirements

Mandatory disclosure requirements

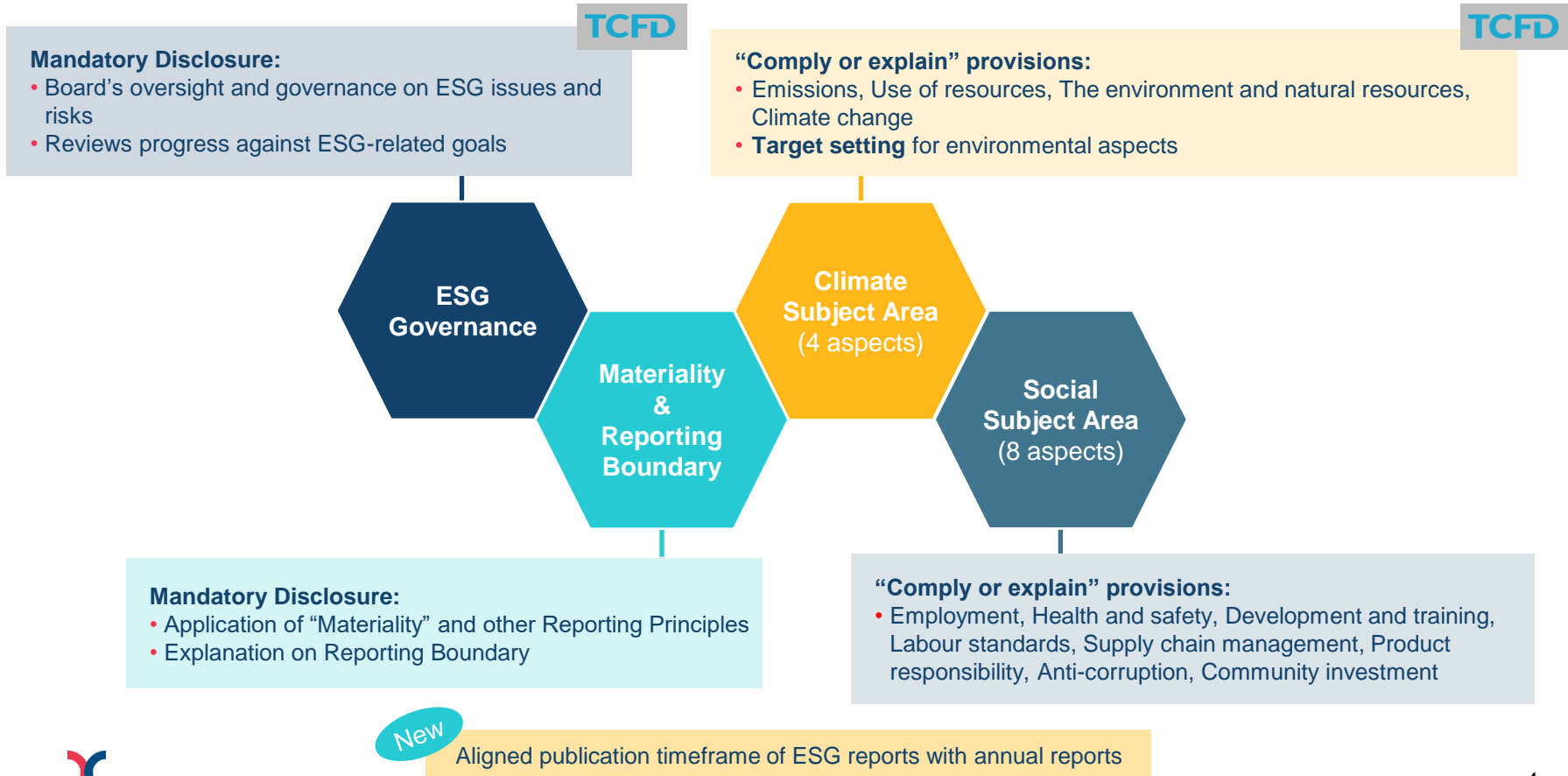
: Information that must be included in ESG reports

“Comply or explain” provisions

- ✓ Disclose information called for
- ✓ Provide reasons for not disclosing such information (e.g. not material to the issuer’s business)
- ✗ Non-disclosure without an explanation

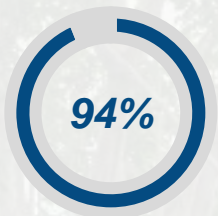


Current ESG requirements



Current reporting level

IPO Applicants



- ✓ Disclosed some form of **ESG issues** in prospectus
- ✓ 60% reported on climate-related issues in **1st ESG reports** (before rules came into effect)

Listed Issuers



- ✓ **Positive behavioural changes** – significant improvement in disclosure of **board oversight** of ESG issues
- ✓ **Acknowledge importance of climate change** – 85% chose to report on all new climate disclosures
- ✓ Picking up on **climate reporting**

New Rules
2022



Same time publication of ESG reports and annual reports
(around 60% have already aligned)