



Alaya Research



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# Survey of ESG Reports in Hong Kong

2016



# | Executive Summary

HKEX announced the upgrade of ESG disclosure requirement to “Comply or Explain” in December 2015. Following the HKEX announcement, we look at how well listed companies are doing in terms of meeting the disclosure requirements set out by the HKEX. With less than half of the Top 200 largest companies by market capitalization having issued a separate ESG report, we believe the value of reporting is somewhat not well communicated.

On a positive note, however, our findings show that companies that are publishing ESG reports are not far from meeting the HKEX requirements. Companies should continue to strive for quality reporting so as to meet market expectations in the coming years. The following are the major findings from our survey:

**60** Only 60 of the Top 200 companies (30%) have a separate 2015 ESG report. If we include companies which issued ESG content in their annual reports, 60.5% of the Top 200 companies by largest market capitalization have reported ESG performance.

**95%** The majority of separately published ESG reports followed either one or multiple guidelines. 95% (57) of the 60 reports adopted either GRI Guidelines or HKEX ESG Guide for reporting.

**68%** 41 of the 60 separately published reports (68%) were able to “comply or explain” General Disclosures for all 11 environmental and social aspects in the latest ESG Reporting Guide. More than half of the companies (55%) included more than 8 environmental KPIs in their separately published ESG reports.

**45%** Less than half of the separately published ESG reports (45%) were externally assured.

# | Research Purpose

Sustainability has been ascending up the corporate agenda with increasing concern regarding climate change and growing awareness for creating social value. With a strong influence on shaping social values, corporations are expected to facilitate and lead the necessary social changes to alleviate these global issues.

While sustainability reporting was previously voluntary in Hong Kong and other parts of the world, market requirements for mandatory reporting are becoming more prevalent in the past decade. At the end of 2015, the Hong Kong Stock Exchange (HKEX) announced a series of changes to their Environment, Social, and Governance Reporting Guide (ESG Guide). These changes will be in effect for companies' sustainability reports published in 2017 and beyond.

With reference to the HKEX's news release<sup>1</sup> (2015), the announcement focuses on a "phased approach" to enhancing sustainability reporting requirements. The first phase takes effect for the financial year (FY) starting in 2016 and requires all Hong Kong listed companies to "comply or explain" General Disclosures on the 11 environmental and social aspects listed in the latest ESG Guide. The second phase applies for the financial year starting in 2017 and involves raising reporting standards for the 12 Key Performance Indicators (KPIs) under the Environmental Subject Area from "recommended disclosure" to "comply or explain".

From these changes, corporations should realize that adopting sustainable practices is no longer an option but a growing requirement, creating both potential challenges or opportunities. As the exclusive Global Reporting Initiative (GRI) Data Partner<sup>2</sup> and Certified Training Partner in Hong Kong, Alaya Consulting is committed to analyse the reporting trend and offer practical solutions for Hong Kong companies.

In this report, we will attempt to illuminate the current role that Hong Kong listed companies have in sustainability reporting and analyse how effectively they have been communicating their initiatives with the public. We hope that our report can assist Hong Kong corporations in understanding where they stand in leading sustainability and take on a bigger role in the future.

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1 HKEX. (2015). "Exchange to Strengthen ESG Guide in its Listing Rules". Retrieved from <https://www.hkex.com.hk/eng/newsconsul/hkexnews/2015/151221news.htm>.

2 GRI Data Partners collect and analyze information on sustainability reports and reporting companies, which they then share to GRI and add to the GRI Sustainability Disclosure Database

# | Research Methodology

## | Data Sample

Our research examines the sustainability reporting practices of the Top 200 companies by market capitalisation listed on HKEX (as of 5th July 2016). These 200 companies capture approximately 50% of the total market capitalization according to the HKEX database, encompassing the constituent stocks of Hang Seng Index and the MSCI Hong Kong Index. In the long term, we believe with their size and resources, they should be able to set industry best practices for companies which have yet to start reporting on ESG in Hong Kong.

## | Data Analysis

In order to collect the data, we researched the sustainability information published by these companies in a separate/portable report document form such as company's or group's annual report, company's separately published ESG reports. While we acknowledge there are many channels used to provide sustainability information, such as ESG information listed on company websites or social media etc., due to limited resources, we only searched for information in a separate report document published through the company websites, database on the HKEX website, and the sustainability disclosure database maintained by GRI. We realize that sustainability information could be also presented through company's annual report, our research focuses only on analysing the content of separately published ESG reports.

# Part I. Availability of the 2015 ESG Reports

Out of the Top 200 companies in Hong Kong, merely 60 companies (30%) issued a separate or standalone ESG report for FY2015. For the other remaining 140 companies, only 30.5% of them included environmental, social and governance information in their company's annual report whilst for the other 39.5%, ESG information could not be located.

As previously mentioned, publishing ESG information is crucial in demonstrating a company's commitment in sustainability. Based on our research, we found that 60.5% of the Top 200 companies in Hong Kong did publish ESG information. However, only less than half of these companies separately published an ESG report for FY2015. According to a similar study done on the S&P 500 Index companies by the Governance & Accountability Institute, INC. (2016)<sup>4</sup>, around 81% of the surveyed companies had separately published ESG reports in 2015, indicating that Hong Kong is lagging behind more mature markets in terms of sustainability reporting.

Of the 73 companies that have separately published an ESG report in 2014, 21 companies (29%) have not published their ESG reports in 2015 until the cut-off date of our research period (till 29 July 2016).

When companies disclose their sustainability information on a regular basis, it allows for increased accessibility, transparency, and accountability to its stakeholders with regards to its commitment in sustainability development. Per the latest ESG Guide published by the HKEX (2015), companies will be required to disclose their ESG reports performance on an annual basis and within 3 months after their annual report is released<sup>5</sup>. Our finding shows that despite almost all of these 21 companies issued their annual reports in March and April, 95% of these companies have not issued their separate ESG reports as of the cut-off date.

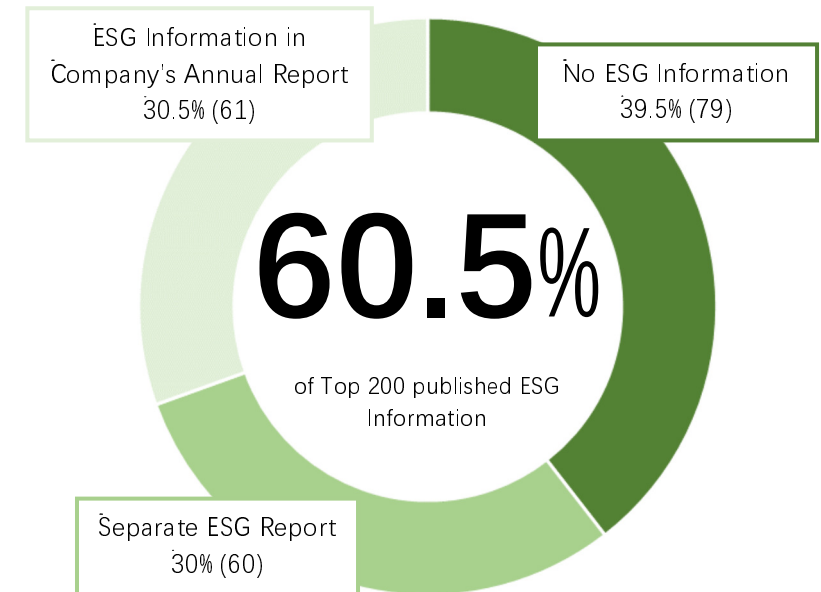


Figure 1: Percentage of Top 200 large-cap companies with Published ESG Information

**Our view:** Companies need to pay attention and make note to prepare their reports earlier in the year so as to meet HKEX's new requirement.

<sup>3</sup> We define "separate or standalone ESG report" as a portable document/report that contains company's environmental, social and governance information and is published as a separate document from the company's/group's annual report.

<sup>4</sup> Governance & Accountability Institute, INC. (2016). "FLASH REPORT: Eighty One Percent (81%) of the S&P 500 Index Companies Published Corporate Sustainability Reports in 2015." Retrieved from <http://www.ga-institute.com/nc/issue-master-system/news-details/article/flash-report-eighty-one-percent-81-of-the-sp-500-index-companies-published-corporate-sustainabi.html>

<sup>5</sup> HKEX. (2015). "Appendix 27 – Environmental, Social and Governance Reporting Guide". Retrieved from [https://www.hkex.com.hk/eng/rulesreg/listrules/mbrules/documents/appendix\\_27.pdf](https://www.hkex.com.hk/eng/rulesreg/listrules/mbrules/documents/appendix_27.pdf).

# Part II. An Analysis of the 2015 ESG Reports

Whilst there are other sustainability guidelines developed by other organizations, we use the HKEX ESG Guide and the GRI G4 Guideline as a benchmark to evaluate current reporting practices. In this section, we first look at the characteristics of the 60 separately published ESG reports, for instance its length, language, etc. Later on, we examined in depth the main content of these reports, e.g. guidelines used, quantitative information provided in different subject areas.

## A. Overview of Reports: Characteristics of Reports

### | The longer the better?

The average length of the 60 separately published ESG reports is 74 pages.

While more (57%) of the reports were within the range of 51 to 100 pages, about 10 reports that exceeded 100 pages including 3 which have more than 200 pages.

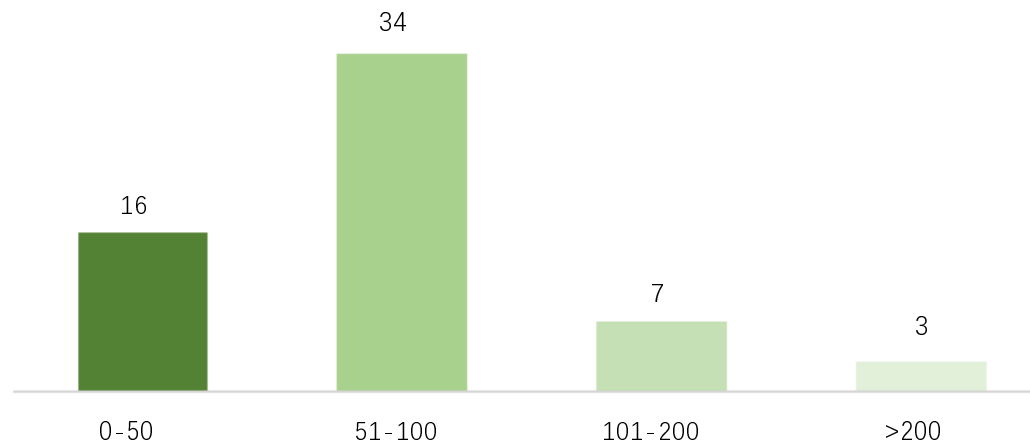


Figure 2: Total number of pages of the 60 Separate ESG reports

**Our view:** Instead of attempting to cover all topics, we would recommend companies to follow the principle of materiality as pointed out by the HKEX (2015)<sup>6</sup> and practise “what matters and where it matters” as advocated by the GRI (2016)<sup>7</sup> and only report on the important topics and aspects identified after communication with its internal and external stakeholders.

<sup>6</sup> Refer to Footnote 5.

<sup>7</sup> GRI. (2016). “Defining What Matters – Do companies and investors agree on what is material?”. Retrieved from <https://www.globalreporting.org/resource/library/GRI-DefiningMateriality2016.pdf>.

## | Report in Chinese or English?

About 68% of the 60 companies separately published ESG reports in both Chinese and English whereas 23% only in Chinese and 8% only in English.

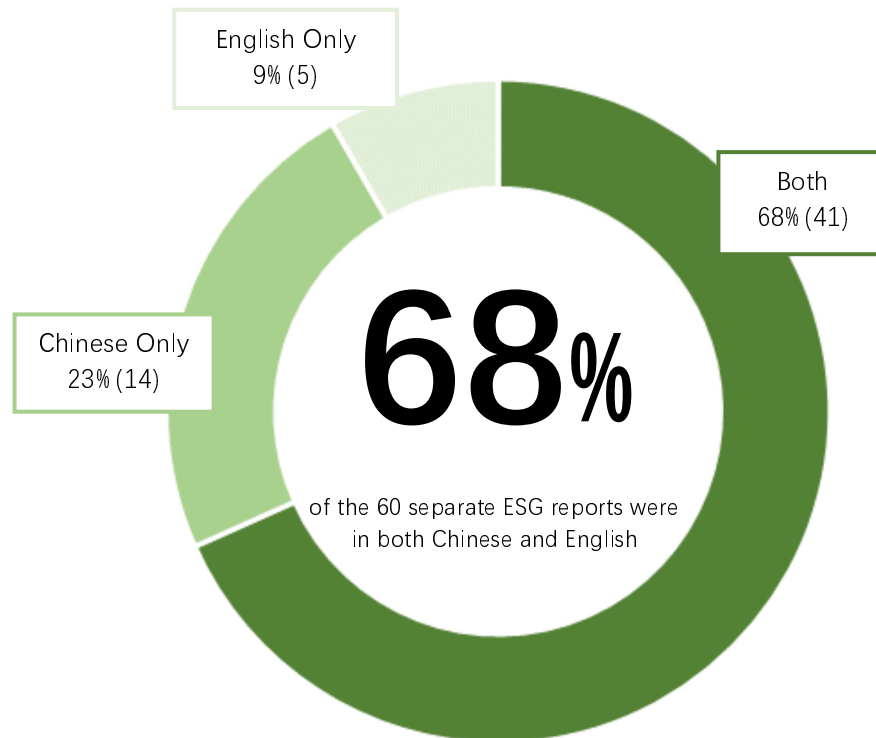


Figure 3: Percentage of the 60 Separate ESG reports published in Chinese, English, or both.

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**Our view:** As more Chinese companies listed in Hong Kong are expanding overseas markets; with over a hundred Chinese companies joining the Fortune 500 (Jie 2016)<sup>8</sup>, companies' stakeholders will have more diverse backgrounds including institutional investors. Hence, we encourage these companies to offer English versions of their reports to expand readership amongst the global investors as well as other academic researchers.

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<sup>8</sup> Jie, Y. (2016). More Than 100 Chinese Firms on the Global Fortune 500, but not Alibaba. *The Wall Street Journal*. Retrieved from <http://blogs.wsj.com/chinarealtime/2016/07/21/more-than-100-chinese-firms-on-global-fortune-500-but-not-alibaba/>

## | GRI G4, HKEX ESG, or both?

Sustainability guidelines and frameworks are an essential factor to ESG reports as they aid companies in defining the boundary and content of their reports, making sure that all relevant sustainability topics, and thus material aspects, are presented in an organized and accessible way. Furthermore, it allows for benchmarking and gives stakeholders a set of reasonable expectations from the company, vis-à-vis their peers.

Currently, the world's most widely used international guideline is the GRI Sustainability Reporting Guideline, with GRI G4 Sustainability Reporting Guideline being its most updated version. GRI Reports can be categorized into two "in accordance" options: "Core" and "Comprehensive". The domestic sustainability reporting guideline in Hong Kong is the ESG Guide developed by the HKEX. For comparison of the two guidelines, please see the Appendix.

The large majority of separately published ESG reports followed either one or multiple guidelines, while two ESG reports were found to follow no particular framework at all. Overall, the GRI Guideline and the HKEX ESG guideline were the most commonly used frameworks in the 60 separately published ESG reports. A significant amount of companies (47%) were also reported to follow the guideline provided by the Shanghai Stock Exchange (SSE), the Chinese Corporate Social Responsibility Report Preparation Guide issued by the Chinese academy of Social Science (CASS-CSR 3.0 ) etc.

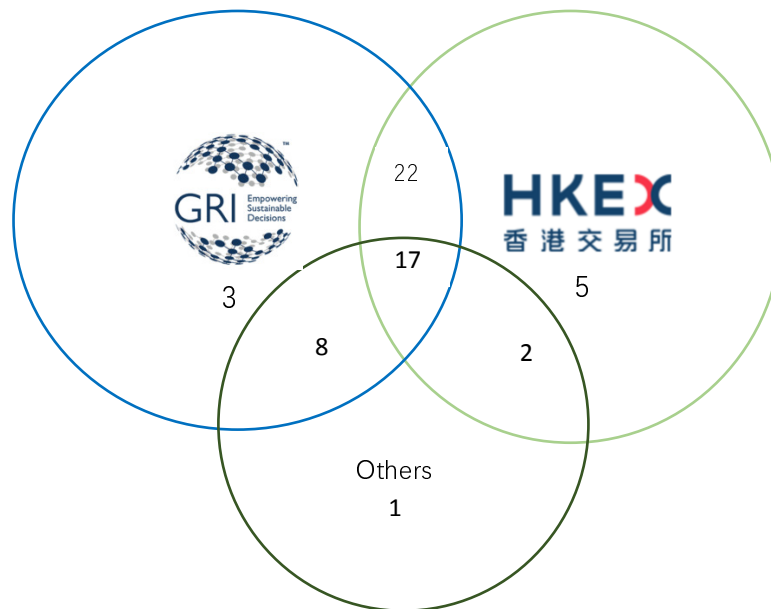


Figure 4: Composition of the 60 separately published ESG reports by framework

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**Our view:** While adherence to the ESG Guide is expected in the Hong Kong market, the adoption of the GRI framework is a good indication that a large majority of companies are willing to put more effort into communicating their sustainability performance by adhering to international standards, and thus reach out to their global audience.

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## | Assurance remains to be developed

Less than half of the 60 separately published reports (45%) were externally assured. Among these reports, International Standard on Assurance (ISAE) 3000 is most widely used by companies, followed next by AccountAbility's AA1000. A few reports (7%) were also externally assured, however they did not specify which corresponding assurance standards were used in their report.

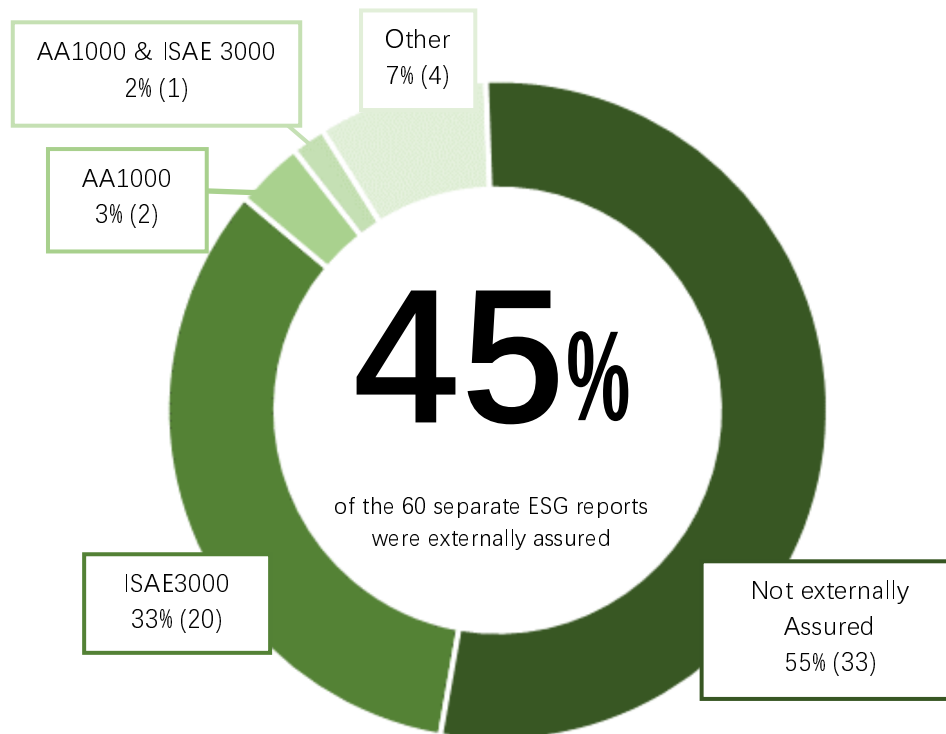


Figure 5: Percentage of reports that were externally assured and the corresponding assurance standards used

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**Our view:** Even though the latest ESG guide does not require companies to be externally assured yet, having these ESG reports externally assured will give confidence to stakeholders including institutional investors about the reliability and credibility of the report.

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## B. Report Content: An In-depth Analysis

### | Materiality Assessments

Materiality assessment is a critical step in determining report content, especially for corporations which have just started their sustainability journey. By effectively assessing materiality, companies can identify the topics of concern for the company and its stakeholders and eventually, align and prioritize the goals for internal and external stakeholders.

From these results, companies will be able to improve the allocation of resources and develop policies when tackling the weak links in its sustainability profile. Moreover, materiality assessments allow for better reporting as companies can focus on their material aspects and effectively communicate to stakeholders about how they have approached these concerns.

Hence, a transparent and thorough materiality assessment is strongly encouraged and also a key indicator to assess a company is in terms of sustainability reporting.

### Engage your stakeholders

The majority of companies with separately published ESG reports (87%) had some type of information on stakeholder engagement. 67% had detailed information on the process, such as charts/tables and a textual description of their stakeholders, how they engaged them, and how the company responded to the stakeholder's concerns while the other 20% only included a brief textual description.

Stakeholder engagement is imperative to companies identifying the potential risks and opportunities in their sustainability practices as well as maintaining sound and ethical business practices; therefore, being transparent with this process is also a convincing way of communicating to stakeholders how their concerns are being dealt with.

### Use a matrix to allocate your resources

A materiality matrix is a visual representation of the prioritized outcomes following a stakeholder engagement process. It remains one of the most widely used methods to communicate companies' trade-off in allocating resources to deal with the identified material aspects. In our research, we found that 42% of the 60 separately published reports had a materiality matrix, whilst the majority of reports did not have one.

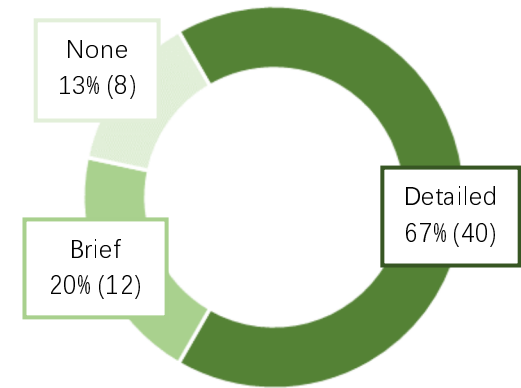


Figure 6: Type of stakeholder engagement information provided by the 60 Separate ESG reports

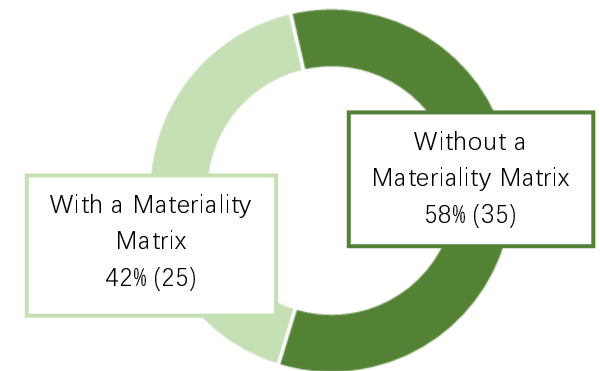


Figure 7: Percentage of Separate ESG reports that included a materiality matrix

**Our view:** Although this is currently not required by the ESG guide, Hong Kong companies can take reference and consider using materiality matrix for more effective communication.

## | How well are we doing so far?

HKEX announced the upgrade of disclosure requirement to Comply or Explain in December 2015. With almost a year has passed, we examine in this section how well the reporting organisations are doing in terms of meeting the disclosure requirements set out by the HKEX.

### General disclosure

Out of more than half of 60 separately published ESG report, 68% (41) were able to “comply or explain” General Disclosures for all 11 aspects in the environmental and social subject areas.

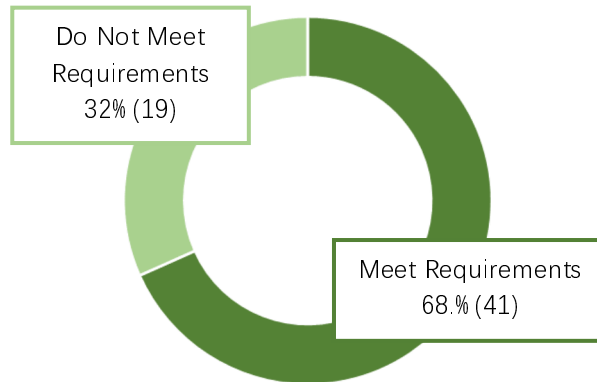


Figure 8: Percentage of separate ESG reports which satisfy Phase1 Requirements

### General disclosure and Environmental KPIs

In the 60 separately published ESG reports, there is a low percentage of ESG reports (26.67%) which are able to fully “comply or explain” all 11 environmental and social aspects as well as all 12 environmental KPIs.

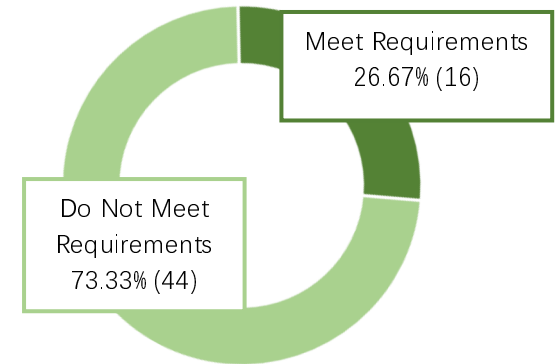


Figure 9: Percentage of separate ESG reports meeting Phase 2 Requirements

### “Not Applicable” is a good enough explanation?

According to the latest ESG guide (HKEX, 2016)<sup>9</sup>, an issuer must report on the “comply or explain” provisions of the guide and provide reasons in its report if they did not report on one or a few provisions. Our findings show that 6 companies did not provide any reasons as to why they did not include certain environmental KPIS. Instead they only stated “Not Applicable. For instance, among these 6 companies, 5 of them did not explain why they did not report on the KPI A2.5 on the issue of packaging material.

**Our view:** Instead of merely stating “Not Applicable”, we advise companies to give a more detailed explanation as to whether it means the aspect is not material or no measurement has yet been made.

<sup>9</sup> Refer to Footnote 5.

## | Performance in Environmental and Social Aspects

As HKEX writes in its latest ESG guide<sup>10</sup>, one of the important principles for preparing a ESG report is providing quantitative information so as to allow for a more effective evaluation of the company's development in sustainability. In this part, we examine whether the 60 separately published reports include KPIs and targets in Emission, Waste, Energy and Water for the "Environmental" Subject Area. Furthermore, we will also look in the "Social" Subject Area at different aspects namely Employee Diversity, Training and Development, Community Investment.

### Environmental Aspects

As mentioned previously, for the FY 2017, the HKEX will require companies to "comply or explain" all 12 environmental KPIs.

In terms of the energy usage disclosure, a large majority of companies were able to provide quantitative information, 60% of companies disclosed their KPIs whilst 22% disclosed both their KPIs and targets. Both emission and water usage disclosure were moderate with 19% and 22% including no quantitative information on either KPIs nor targets respectively. Whilst, for the waste information, it is important to note that less than half of the companies (45%) were able to provide KPIs with a significant number of companies (33%) not being able to include any quantitative information.

The above finding shows that most companies have been able to provide quantitative information in particular KPIs in certain aspects like emission, water, and energy usage. Even though inclusion of targets is not a necessary disclosure in the ESG guide, the provision of such targets implies that Hong Kong companies are making progress in terms of sustainability reporting. It is important to note that since HKEX will require companies to report on all 12 environmental KPIs, companies who did not provide any KPIs on waste information will have to ensure that they include the necessary data in their coming reports.

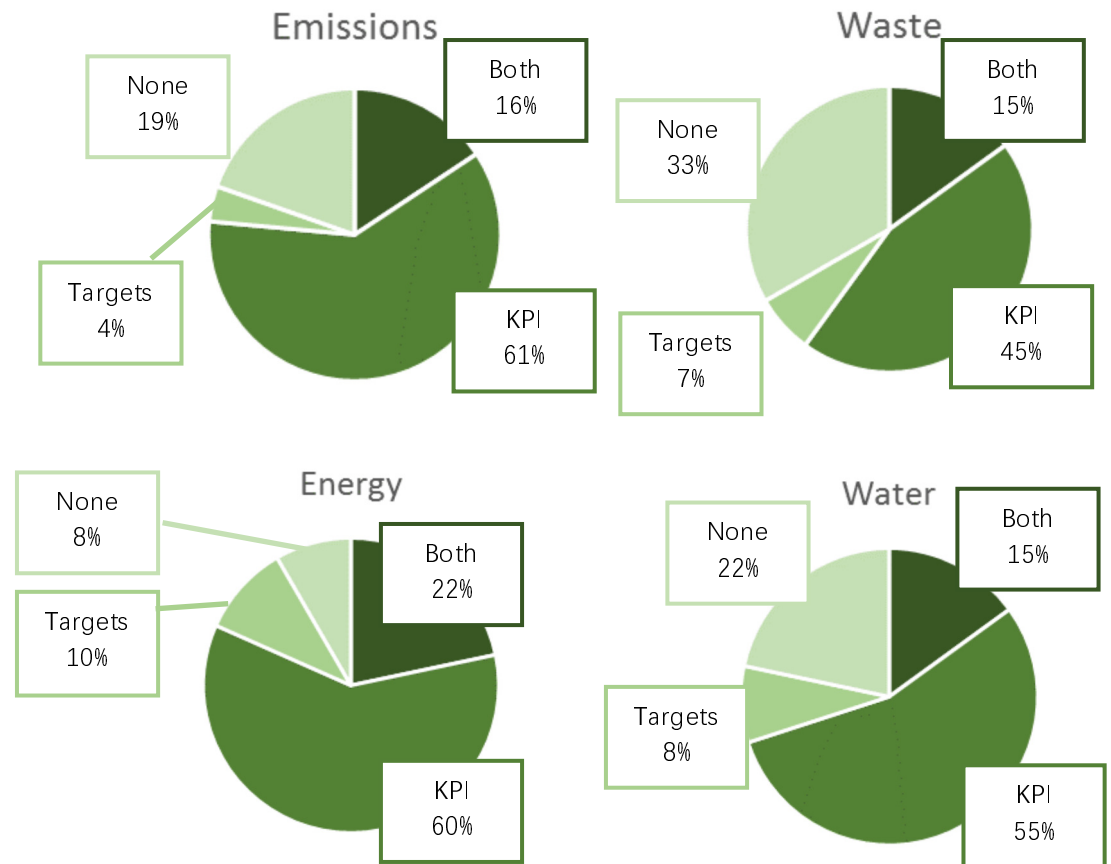


Figure 10: Percentage of separately published ESG reports that included KPI or quantitative targets by different elements

<sup>10</sup> Refer to Footnote 5.

## Social Aspects

In the latest HKEX reporting guide (2015)<sup>11</sup>, KPIs for the different aspects in the “Social” Subject Area are still recommended disclosures. However, as per our findings many companies have already been taken the initiative to provide KPIs on social category, particularly on employee diversity, training & development, and on community investment.

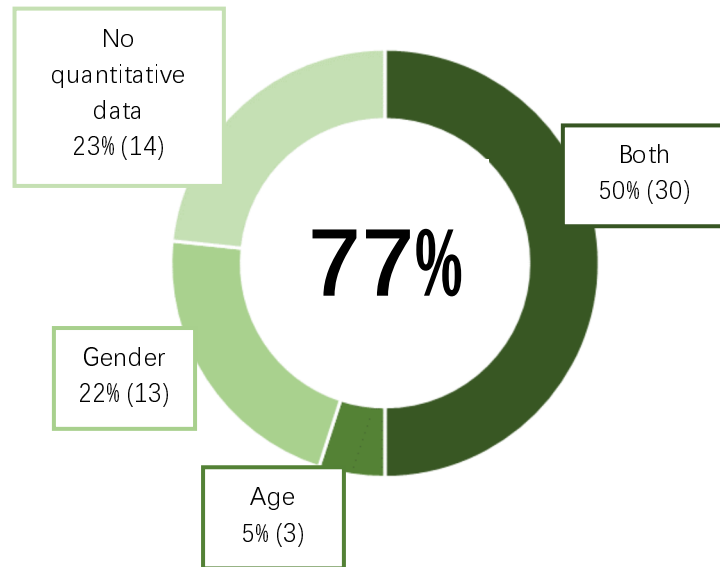


Figure 11: Percentage of separately published ESG reports that included quantitative data regarding gender and age diversity amongst employees

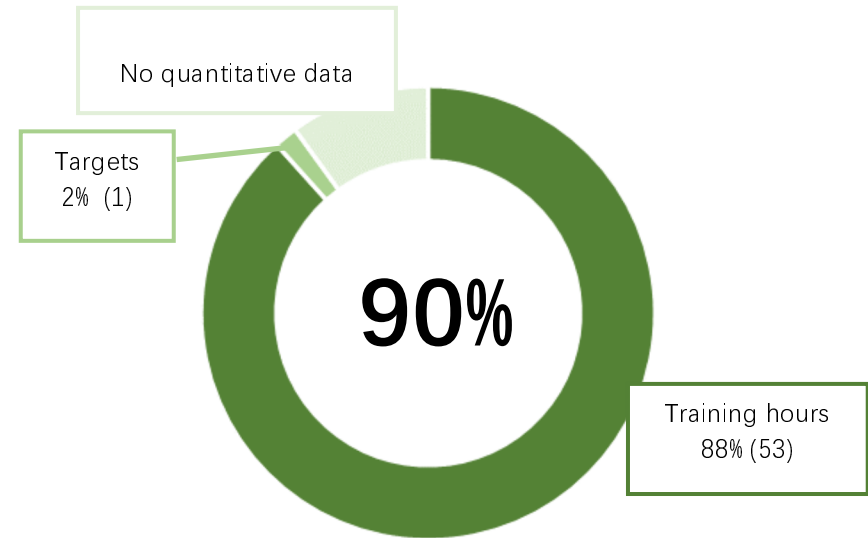


Figure 12: Percentage of separately published ESG reports that included quantitative data regarding the training & development

## Employee Diversity

Of the 60 separately published reports, the majority of report (50%) included quantitative data regarding both gender and age diversity (KPI B1.1) in the company’s workforce whilst 22% included only gender statistics and 5% only age statistics. A significant number of reports (23%) did not include/measure their employee diversity data.

## Training & Development

From our research, the large majority of separately published ESG reports (88%) of the reports included quantitative data regarding the hours of training employees received (KPI B3.2), whilst 10% of reports included no such numerical data or targets.

<sup>11</sup> Refer to Footnote 5.

## Community Investment

It is important to note that quantitative data is not only important for companies to measure and set targets for their sustainability performances, it is also an effective way for external stakeholders to understand how the company is doing in terms of sustainability.

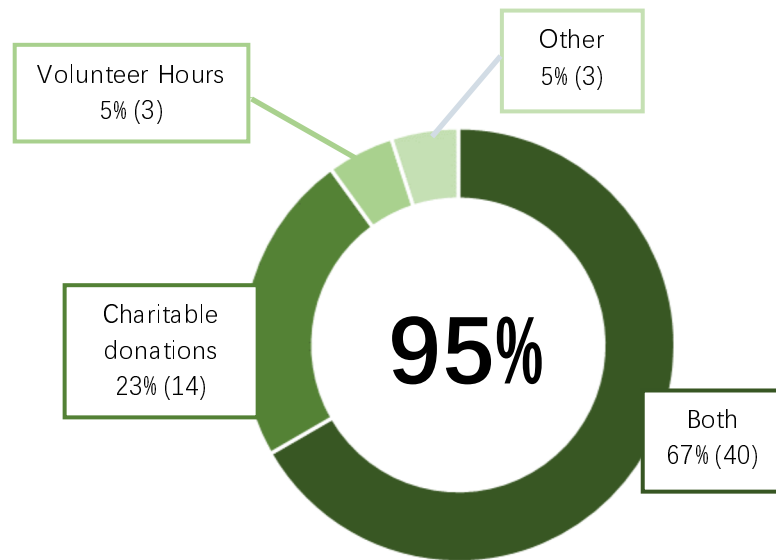


Figure 13: Percentage of separately published ESG reports that included quantitative data regarding the number of volunteer hours and charitable donations contributed to the community

## C. Transparency with Future Plans

Of the 60 separately published ESG reports, 36 reports included a separate section<sup>12</sup> regarding future plans for improving sustainability. With regards to quantitative targets for one or more of the environmental KPIs, only 18 out of 60 reports included such goals.

The inclusion of future plans or measurable goals is not required by GRI and ESG frameworks but it is a good indication of companies' willingness to communicate their efforts of improving sustainability performance to their stakeholders. When the descriptions of future plans do not include quantitative targets, it is difficult for stakeholders to understand what, how, or when the company will accomplish their sustainability goals.

<sup>12</sup> Here we define "separate section" as text in the report that has its own title or heading.

# | Conclusion

With less than half of the Top 200 largest companies by market capitalization having issued a separate ESG report, we believe that the value of reporting is not well communicated. Companies should realize that sustainability reporting is a key communication tool for companies to let its stakeholders know its commitment in sustainability development. Furthermore, it is an important factor in maintaining transparency and upholding trust between the company and its stakeholders.

On a positive note, however, our findings show that companies that are publishing these materials generally have good quality reports and are not far from meeting the HKEX requirements. The majority of reports (68%) were able to report General Disclosures for all 11 environmental and social aspects.

Whilst there has been noticeable progress in good sustainability practices, companies should continue to strive for quality reporting so as to meet market expectations in the coming years. To the companies which have yet to publish sustainability information and those that are already doing so, Alaya Consulting has the following recommendations:

1. **Migrating to GRI Standards:** A majority of the companies with separate reports used both GRI and HKEX frameworks. With the presence of a linkage document, companies would find it easy to migrate from HKEX ESG to GRI Standards, which enables international peer comparison.
2. **Getting third-party assurance:** Although the latest ESG guide does not require reports to be assured, companies should consider externally assuring their reports to increase credibility and also take it as an opportunity to review internal process.
3. **Presenting your own materiality matrix:** A materiality matrix is an effective tool to identify the topics of concern for the company and its stakeholders. We recommend companies to use the matrix to present their strategic priorities, making it transparent for all relevant stakeholders.
4. **Increasing report accessibility:** Great accessibility of reports would definitely allow the company to be transparent on its sustainability performance. According to the new HKEX guideline (2015)<sup>13</sup>, ESG reports should be published on the Exchange's website and the issuer's website. Even though companies publish their reports online, some reports are difficult to locate on their websites.

*Alaya Consulting's GRI Data Partner Report Analyst Research Team of talented interns contributed significantly to this research. We recognize and salute them here: (1) Chenjia Christina Lu, Cornell University, BA, Economics, in 2018; (2) Long Ying Lo, The HK University of Science and Technology, BSc, Environmental Management and Technology, in 2017; (3) Natasha Arora, University of Hong Kong, Bachelor of Social Science, Politics & Public Administration, in 2018; (4) Tini Hui, The Chinese University of Hong Kong, Bachelor of Social Science, Sociology, in 2017; and (5) Yuexin Song, University of Hong Kong, Bachelor of Social Science, in 2018.*

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# | Appendix 1: List of Top 200 Companies

Companies marked with an asterisk (\*) published a separate 2015 ESG report as of July 31<sup>st</sup>, 2016

3SBio Inc.	China Everbright Bank Co. Ltd. - H Shares	China Shenhua Energy Co. Ltd. - H Shares *
AAC Technologies Holdings Inc. *	China Everbright International Ltd. *	China State Construction International Holdings Ltd. *
Agricultural Bank of China Ltd. - H Shares *	China Everbright Ltd.	China Taiping Insurance Holdings Co. Ltd.
AIA Group Ltd.	China Galaxy Securities Co., Ltd. - H Shares	China Telecom Corporation Ltd. - H Shares
Air China Ltd. - H Shares	China Gas Holdings Ltd.	China Unicom (Hong Kong) Ltd.
Alibaba Health Information Technology Ltd.	China Goldjoy Group Ltd.	China Vanke Co., Ltd. - H Shares *
Alibaba Pictures Group Ltd.	China Hongqiao Group Ltd.	China Zhongwang Holdings Ltd.
Anhui Conch Cement Co. Ltd. - H Shares	China Huarong Asset Management Co., Ltd. - H Shares	Chinese Estates Holdings Ltd.
ANTA Sports Products Ltd.	China Huishan Dairy Holdings Co. Ltd.	Chow Tai Fook Jewellery Group Ltd. *
ASM Pacific Technology Ltd.	China International Capital Corporation Ltd. - H Shares	CITIC Ltd.
Bank of China Ltd. - H Shares *	China Jinmao Holdings Group Ltd.	CITIC Securities Co. Ltd. - H Shares *
Bank of Communications Co., Ltd. - H Shares *	China Life Insurance Co. Ltd. - H Shares *	CK Hutchison Holdings Ltd.
Bank of East Asia, Ltd., *	China Longyuan Power Group Corporation Ltd. - H Shares	CLP Holdings Ltd. *
Beijing Enterprises Holdings Ltd.	China Medical System Holdings Ltd.	CNOOC Ltd. *
Beijing Enterprises Water Group Ltd.	China Mengniu Dairy Co. Ltd. *	COSCO Pacific Ltd. *
Belle International Holdings Ltd.	China Merchants Bank Co., Ltd. - H Shares *	Country Garden Holdings Co. Ltd.
BOC Aviation Ltd.	China Merchants Holdings (International) Co. Ltd.	CRRC Corporation Ltd. - H Shares *
BOC Hong Kong (Holdings) Ltd.	China Minsheng Banking Corp., Ltd. - H Shares *	CSPC Pharmaceutical Group Ltd.
Brightoil Petroleum (Holdings) Ltd.	China Minsheng Financial Holding Corporation Ltd.	Dah Sing Banking Group Ltd.
Brilliance China Automotive Holdings Ltd.	China Mobile Ltd. *	Dali Foods Group Co. Ltd.
BYD Co. Ltd. - H Shares *	China Overseas Land & Investment Ltd.	Dalian Wanda Commercial Properties Co., Ltd. - H Shares
C. P. Pokphand Co. Ltd.	China Pacific Insurance (Group) Co., Ltd. - H Shares	Dongfeng Motor Group Co. Ltd. - H Shares
Cathay Pacific Airways Ltd.	China Petroleum & Chemical Corporation - H Shares *	ENN Energy Holdings Ltd.
CGN Power Co., Ltd. - H Shares *	China Power International Development Ltd.	Evergrande Real Estate Group Ltd.
Cheung Kong Property Holdings Ltd.	China Railway Construction Corporation Ltd. - H Shares *	Far East Horizon Ltd.
China Cinda Asset Management Co., Ltd. - H Shares *	China Railway Group Ltd. - H Shares *	FIH Mobile Ltd.
China CITIC Bank Corporation Ltd. - H Shares	China Resources Beer (Holdings) Co. Ltd.	First Pacific Co. Ltd.
China Communications Construction Co. Ltd. - H Shares *	China Resources Gas Group Ltd.	Fosun International Ltd. *
China Conch Venture Holdings Ltd.	China Resources Land Ltd.	Fullshare Holdings Ltd.
China Construction Bank Corporation - H Shares *	China Resources Power Holdings Co. Ltd. *	Galaxy Entertainment Group Ltd.
China Eastern Airlines Corporation Ltd. - H Shares *	China Shanshui Cement Group Ltd.	GCL-Poly Energy Holdings Ltd.



Geely Automobile Holdings Ltd. *	Kingston Financial Group Ltd.	Sino-Ocean Group Holding Ltd.
Genting Hong Kong Ltd.	Kunlun Energy Co. Ltd.	Sinopharm Group Co. Ltd. - H Shares
GF Securities Co., Ltd. - H Shares *	Lee & Man Paper Manufacturing Ltd.	SJM Holdings Ltd.
Glencore plc *	Lenovo Group Ltd. *	Skyworth Digital Holdings Ltd.
Goldin Financial Holdings Ltd.	Li & Fung Ltd.	SOHO China Ltd.
GOME Electrical Appliances Holding Ltd.	Lifestyle International Holdings Ltd.	Standard Chartered PLC
Great Eagle Holdings Ltd.	Link REIT	Sun Art Retail Group Ltd.
Great Wall Motor Co. Ltd. - H Shares	L'Occitane International S.A. *	Sun Hung Kai Properties Ltd. *
Guangdong Investment Ltd.	Longfor Properties Co. Ltd.	Sunny Optical Technology (Group) Co. Ltd.
Guangzhou Automobile Group Co., Ltd. - H Shares	Man Wah Holdings Ltd.	Swire Pacific Ltd. 'B'
Guoco Group Ltd.	Manulife Financial Corporation	Swire Properties Ltd. *
Guotai Junan International Holdings Ltd.	MGM China Holdings Ltd.	Techtronic Industries Co. Ltd.
Haier Electronics Group Co., Ltd.	Minth Group Ltd.	Tencent Holdings Ltd.
Haitian International Holdings Ltd.	MTR Corporation Ltd. *	The People's Insurance Co. (Group) of China Ltd. - H Shares
Haitong International Securities Group Ltd.	New China Life Insurance Co. Ltd. - H Shares	The Swire Pacific Ltd. 'A'
Haitong Securities Co., Ltd. - H Shares	New World China Land Ltd. *	Tianhe Chemicals Group Ltd.
Hanergy Thin Film Power Group Ltd.	New World Development Co. Ltd. *	Tingyi (Cayman Islands) Holding Corp.
Hang Lung Group Ltd.	Nexteer Automotive Group Ltd. *	Tsim Sha Tsui Properties Ltd. *
Hang Lung Properties Ltd.	Nine Dragons Paper (Holdings) Ltd.	Uni-President China Holdings Ltd.
Hang Seng Bank Ltd. *	NWS Holdings Ltd.*	United Company RUSAL Plc
Henderson Land Development Co. Ltd. *	PCCW Ltd.	Vision Fame International Holding Ltd.
Hengan International Group Co. Ltd.	PetroChina Co. Ltd. - H Shares *	VTech Holdings Ltd. *
HengTen Networks Group Ltd.	PICC Property and Casualty Co. Ltd. - H Shares *	Want Want China Holdings Ltd.
HK Electric Investments and HK Electric Investments Ltd. - SS *	Ping An Insurance (Group) Co. of China Ltd. - H Shares *	WH Group Ltd.
HKT Trust and HKT Ltd. - SS	Power Assets Holdings Ltd.	Wharf (Holdings) Ltd., The
Hong Kong and China Gas Co. Ltd., The Cheung Kong Infrastructure Holdings Ltd. *	PRADA S.p.A.	Wheelock and Co. Ltd.
Hong Kong Exchanges and Clearing Ltd. *	Prudential plc	Wynn Macau, Ltd.
Hopewell Holdings Ltd. *	Samsonite International S.A.	Xinyi Glass Holdings Ltd.
HSBC Holdings plc	Sands China Ltd. *	Xinyi Solar Holdings Ltd.
Huaneng Power International, Inc. - H Shares	Semiconductor Manufacturing International Corporation *	Yue Yuen Industrial (Holdings) Ltd. *
Huatai Securities Co., Ltd. - H Shares	Shanghai Industrial Holdings Ltd.	Zall Group Ltd.
Hysan Development Co. Ltd.	Shangri-La Asia Ltd.	Zhuzhou CRRC Times Electric Co., Ltd. - H Shares *
Imperial Pacific International Holdings Ltd.	Shenzhen International Holdings Ltd.	
Industrial and Commercial Bank of China Ltd. - H Shares *	Shenzhen Investment Ltd.	
Kerry Properties Ltd.	Shenzhou International Group Holdings Ltd.	
Kingsoft Corporation Ltd.	Shimao Property Holdings Ltd.	
	Sino Biopharmaceutical Ltd.	
	Sino Land Co. Ltd. *	

# | Appendix 2: Comparison of GRI and ESG Guides

HKSE		GRI4
General disclosure		
Corporate strategy and profile	Overall ESG management approach, strategy, priority and objective	16 indicators (risk, opportunities, employees collective bargaining agreement, significant changes in organization)
Aspects, boundaries and stakeholder engagement	Required but no indication for disclosure	17 indicators (Material aspects, list of stakeholders , the basis for identification and approach to engage)
Governance and ethics	Included in the Listing Rules Appendix 14 Corporate governance Code and Corporate Governance Report	22 indicators (Governance structure, values, remuneration policy, code of conduct)
Disclosure on materials aspects		
Disclosure on management approach	Policies and compliance issues of each material aspects	How the organization manages each material aspect, evaluation of the management approach
Economics	N/A	9KPIs
Environment	12KPIs	34KPIs
Labor practices	9KPIs	16KPIs
Human Rights	N/A	12KPIs
Society	2KPIs	11KPIs
Product Responsibility	9KPIs	9KPIs
Sector Supplements	N/A	Airport Operators, Construction and Real Estate, Electric Utilities, Financial Services, Food Processing, Metals, Non-Governmental Organization, Oil & Gas, etc.