



羅兵咸永道

BY EMAIL: commentletters@hkiepa.org.hk

Standard Setting Department
Hong Kong Institute of Certified Public Accountants
37th Floor, Wu Chung House
213 Queen's Road East
Wanchai, Hong Kong

22 April 2014

Dear Sir/Madam

Exposure Draft of Accounting Bulletin 5 Guidance for the Preparation of a Business Review under the Hong Kong Companies Ordinance CAP.622

We are pleased to respond to the invitation by the Financial Reporting Standards Committee to comment on behalf of PricewaterhouseCoopers on the Exposure Draft of Accounting Bulletin 5 Guidance for the Preparation of a Business Review under the Hong Kong Companies Ordinance CAP.622.

We agree to the guidance contained in the Exposure Draft. In general, the guidance is comprehensive. We set out below our recommendation to enhance the user-friendliness of the guidance.

Paragraph 44 of the guidance elaborates the requirements for the discussion of the reporting entity's environmental policies and performance and its compliance with the relevant laws and regulations that have a significant impact on the reporting entity. Paragraphs 45 and 46 deal with the requirements for the account of the reporting entity's key relationships with its employees, customers and suppliers and others that have a significant impact on the reporting entity. We recommend that examples of the information to be disclosed in these areas can be provided with reference to the Environmental, Social and Governance Reporting Guide issued by the Stock Exchange of Hong Kong Limited for the consideration of the preparers of the business review.

Examples relevant to paragraph 44 include (but not limited to):

- policies and compliance with relevant laws and regulations on air and greenhouse gas emissions, discharges into water and land, generation of hazardous and non-hazardous wastes, etc.
- policies on efficient use of resources such as energy, water and other raw materials in the production, storage and transportation, in buildings, electronic equipment, etc.
- policies on minimising the significant impact on the environment and natural resources by the operation of the reporting entity



羅兵咸永道

Standard Setting Department
Hong Kong Institute of Certified Public Accountants
22 April 2014

Examples relevant to paragraphs 45-46 include (but not limited to):

- policies on employees' compensation, recruitment, training and development
- policies and compliance with relevant laws and regulations on providing a safe working environment, implementation and monitoring of occupational health and safety measures
- policies on managing environmental and social risks of supply chain
- policies and compliance of relevant standards, rules and regulations on health and safety of the products and services provided to customers
- community involvement and contribution in relation to education, environmental concerns, culture, sport and social responsibilities

If you have any questions, please contact Clarry Chan (+852 2289 2169).

Yours faithfully

A handwritten signature in cursive script that reads 'PricewaterhouseCoopers'. The signature is written in black ink and is positioned above the printed name of the firm.

PricewaterhouseCoopers