

Standard Setting Department

Hong Kong Institute of Certified Public Accountants

37th Floor, Wu Chung House

213 Queen's Road East

Wanchai, Hong Kong.

By email: commentletters@hkicpa.org.hk

27 October 2024

Dear Sirs

Public Consultation: Exposure Drafts on HKFRS Sustainability Disclosure Standards

The Association of International Certified Professional Accountants® (the Association) welcomes the opportunity to comment on the Exposure Drafts on HKFRS Sustainability Disclosure Standards.

The Association, representing AICPA® & CIMA®, advances the global accounting and finance profession through its work on behalf of nearly 600,000 AICPA and CIMA members in almost 200 countries and territories. Many of our members work for companies who will be subject to the scope of the proposals (and the many SMEs who support their local supply chain).

As the Association, we advocate globally for the adoption of IFRS S1 and IFRS 2 as the baseline sustainability-related reporting standards. Accordingly, we would welcome and support the proposal for full alignment of HKFRS S1 and HKFRS S2 with the requirements of IFRS S1 and IFRS S2.

In response to many global consultations, our common position is that IFRS S1 and IFRS S2 were developed from the outset as global standards, to provide a comprehensive global baseline of sustainability disclosures for the capital markets.

There is a need for consistency across the world in relation to sustainability reporting so as to limit (or minimize) the risk of unnecessary complexity in the reporting requirements of companies and entities that power our local and global economies. In particular, consistent measurements and reporting bring clarity to what is becoming a complex landscape and will also allow businesses to meet their regulatory and societal obligations in a cost effective way.

Consistency and reduced complexity across the world also offers companies a route to practical compliance rather than different measures or approaches country by country.

Whilst we recognise that certain jurisdictions may need to introduce reporting requirements in addition to those set out in the ISSB developed global standards, we would hope that such adjustments are reasonable and necessary.

In conclusion, we welcome the proposal to fully align HKFRS S1 and HKFRS S2 with the requirements of IFRS S1 and IFRS 2.

If you would like to discuss any of these matters further please do not hesitate to contact me at Michelle.Mullen@aicpa-cima.com

Yours faithfully,



Michelle Mullen
Vice President, Global Advocac