

October 28, 2024

Standard Setting Department  
Hong Kong Institute of Certified Public Accountants  
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213 Queen's Road East  
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Email address: [commentletters@hki CPA.org.hk](mailto:commentletters@hki CPA.org.hk)

**RE: Exposure Drafts:  
HKFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information  
HKFRS S2 Climate-related Disclosures**

Dear Sir/Madam,

CFA Institute<sup>1</sup> appreciates the opportunity to comment on the Hong Kong Institute of Certified Public Accountants (HKICPA) [Exposure Drafts](#), HKFRS S1, *General Requirements for Disclosure of Sustainability-related Financial Information*, and HKFRS S2, *Climate-related Disclosures*, (together the “Exposure Drafts”).

CFA Institute has a long history of promoting fair and transparent global capital markets and advocating for strong investor protections, and we are providing our comments in accordance with these positions. An integral part of our efforts toward meeting those goals is ensuring that corporate financial and sustainability reporting and disclosures, and related audits provided to investors and other end users are of high quality and decision useful. Our advocacy position is informed by our global membership, who invest both locally and globally.

We appreciate HKICPA’s efforts in developing these extensive Exposure Drafts and in engaging with a wide range of stakeholders to understand market-specific needs. These steps are essential in enabling Hong Kong to become an early adopter of the International Sustainability Standards Board (“ISSB”) baseline.

Overall, we support HKICPA’s proposal for full convergence with International Financial Reporting Standards (IFRS), specifically, IFRS S1, *General Requirements for Disclosure of Sustainability-related Financial Information*, and IFRS S2, *Climate-related Disclosures*. As an organization, ***CFA Institute has long supported global convergence of accounting and auditing standards – and now sustainability reporting standards*** – because capital flows and investing are global making comparability of critical importance in investment analysis.

Increasingly, investors have expanded their scope of value-relevant information for investment decision making to include climate-related risks and opportunities. IFRS S1 and S2 are important and fundamental components of multi-period and multi-jurisdictional efforts toward improving the quality

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<sup>1</sup> With offices in Charlottesville, VA; New York; Washington, DC; Brussels; Hong Kong SAR; Mumbai; Beijing; Abu Dhabi; and London, CFA Institute is a global, not-for-profit professional association of more than 190,000 members, as well as 160 member societies around the world. Members include investment analysts, advisers, portfolio managers, and other investment professionals. CFA Institute administers the Chartered Financial Analyst® (CFA®) Program. For more information, visit [www.cfainstitute.org](http://www.cfainstitute.org) or follow us on [LinkedIn](#) and Twitter at [@CFAINSTITUTE](#).



of climate-related disclosures, and full convergence would allow the timely availability of such information to investors.

As an international financial center, Hong Kong's full convergence with the ISSB Standards will ensure it stays on par with global capital markets. Going forward, we encourage the HKICPA to continue its stakeholder engagement efforts and provide leadership in capacity building, particularly regarding the implementation and adoption of current and future ISSB standards.

If you have any questions regarding our views, please contact Sandra J. Peters at [sandra.peters@cfainstitute.org](mailto:sandra.peters@cfainstitute.org).

Sincerely,

*Sandra J. Peters*

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