



FOR IMMEDIATE RELEASE

**LAPFF calls for mandatory carbon reporting for companies listed on the Hong Kong Stock Exchange**

London 11.37 (BST) The Local Authority Pension Fund Forum (LAPFF) has called on the Hong Kong Stock Exchange to mandate carbon reporting by companies listing on the exchange.

LAPFF welcomes and endorses the move towards a 'comply or explain' approach for Environmental Social and Governance (ESG) reporting in Hong-Kong and considers this may set a model for other exchanges and the encouragement of reporting on the governance of material environmental and social issues.

However LAPFF recommends that Hong Kong Exchanges and Clearing Ltd (HKE) go further and mandate reporting of carbon emissions. LAPFF considers that a single global reporting framework is essential in the context of initiatives seeking a consensus on global action required to tackle climate change.

***"In this time of the run-up to the COP 21 in Paris in December, it is crucial that investors push for meaningful action on climate change"*** LAPFF Chair Kieran Quinn said.

The UK is the first country globally to mandate carbon reporting with all listed companies in the UK currently required to report their carbon emissions. Other exchanges have related requirements, for example the U.S. Securities and Exchange Commission requires publicly-traded companies to disclose financially material impacts related to climate change.

Cllr Quinn added ***"LAPFF's engagement strategy is to push for an orderly carbon transition by requiring companies to identify and tackle carbon risks in their business models. We consider that national stock exchanges have a vital role to play in requiring companies to disclose information that investors and the market can use to assess how prepared companies are for a carbon-constrained future"***.

In its [response](#) to the consultation, LAPFF supports the use of international accounting tools for clarity and comparability in reporting carbon emissions, specifically the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard.

**ENDS>**

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About the Local Authority Pension Fund Forum

The Local Authority Pension Fund Forum (LAPFF) founded in 1991, is a voluntary association of 65 public sector pension funds based in the UK with combined assets of approximately £175 billion. It exists to "promote the long-term investment interests of local authority pension funds, and to maximise their influence as shareholders to promote corporate responsibility and high standards of corporate governance amongst the companies in which they invest." PIRC is the Research and Engagement partner to the Forum, [www.lapfforum.org](http://www.lapfforum.org)