Pacific Basin

13 June 2022

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

Dear Sir/Madam,

Re: Invitation to comment on the ISSB Exposure Draft IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information*; and ISSB Exposure Draft IFRS S2 *Climate-related Disclosures*

I am writing on behalf of Pacific Basin Shipping Limited to provide our comments on the Exposure Draft IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information*; and Exposure Draft IFRS S2 *Climate-related Disclosures*. Please find our comments enclosed.

Our company is listed on the Main Board of the Stock Exchange of Hong Kong Limited (stock code: 2343). We are one of the world's leading owners and operators of modern Handysize and Supramax dry bulk ships. Sustainability is always at the top of our agenda and we encourage you to read our 2021 Sustainability Report for more information about our company's sustainability-related matters.

If you wish to discuss our comments, please do not hesitate to contact me at +852 2233 7000.

Yours Faithfully,

Kitty Mok

MOK Kit Ting Kitty
Director of Risk, Group Company Secretary

Enclosures:

<IFRS S1 Comments>

<IFRS S2 Comments>

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IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information (General Requirements Exposure Draft)

No.	Areas	Questions	Proposed Answers
Q1	Overall approach	(a) Does the Exposure Draft state clearly that an entity would be required to identify and disclose material information about all of the sustainability-related risks and opportunities to which the entity is exposed, even if such risks and opportunities are not addressed by a specific IFRS Sustainability Disclosure Standard? Why or why not? If not, how could such a requirement be made clearer? (b) Do you agree that the proposed requirements set out in the Exposure Draft meet its proposed objective (paragraph 1)? Why or why not? (c) Is it clear how the proposed requirements in the Exposure Draft would be applied together with other IFRS Sustainability Disclosure Standards, including the [draft] IFRS S2 Climate-related Disclosures? Why or why not? If not, what aspects of the proposals are unclear? (d) Do you agree that the requirements proposed in the Exposure Draft would provide a suitable basis for auditors and regulators to determine whether an entity has complied with the proposals? If not, what approach do you suggest and why?	(a) Yes. (b) Yes. (c) No comment. (d) Partially agree. These requirements are generic in nature and the actual disclosures would be industry and company specific and require significant judgement. We expect there are expectation gaps between auditors/regulators and companies.
Q2	Objective (para 1-7)	(a) Is the proposed objective of disclosing sustainability-related financial information clear? Why or why not? (b) Is the definition of ‘sustainability-related financial information’ clear (see Appendix A)? Why or why not? If not, do you have any suggestions for improving the definition to make it clearer?	(a) Yes. (b) Yes.
Q3	Scope (para 8-10)	Do you agree that the proposals in the Exposure Draft could be used by entities that prepare their general purpose financial statements in accordance	Yes.

		with any jurisdiction's GAAP (rather than only those prepared in accordance with IFRS Accounting Standards)? If not, why not?	
Q4	Core Content (para 11-35)	(a) Are the disclosure objectives for governance, strategy, risk management and metrics and targets clear and appropriately defined? Why or why not? (b) Are the disclosure requirements for governance, strategy, risk management and metrics and targets appropriate to their stated disclosure objective? Why or why not?	(a) Yes. (b) Partly. For <Governance>, para 13e. It requires disclosure on the entity's assessment of trade-off and analysis of sensitivity to uncertainties. For any decisions made, they are already thoroughly discussed in all levels of the organisation on various options and their respective trade-offs. We consider these are internal information only which may not be particularly useful for investors and therefore need not be disclosed. For <Strategy>, para 15a and d. It requires disclosure on how the significant sustainability-related risks and opportunities could affect an entity's cash flows, its access to finance and its cost of capital over the short, medium or long term. It is of course ideal if an entity can provide such information to the primary users of the financial statements. However, it poses great challenges to entities as there are too many uncertainties and unknowns to produce a reliable and meaningful cash flows given the parameters to produce the cash flows are constantly changing and developing. For example, in our industry, our decarbonisation journey relies on the availability of green energy, green marine fuels, and advancement in technologies required for more energy-efficient cargo ships, together with the evolving environmental regulations, some of them are still in their infant stage. It is impracticable for an entity to provide an accurate budget, especially in the medium and long term. Same rationales apply to performing valuation on our assets in the medium and short terms given multiple uncertainties. If one cannot provide fairly accurate forecasts and plans, we believe such disclosures are not meaningful to the primary users of the financial statements. Para 15b- It requires disclosure on 'value chain'. It does not specify how far and how detailed along the value chain we need to consider in the financial disclosure, as it would be specific to each entity and the definition of value chain is very broad. It leaves entities to have a lot of discretion to determine what

			information to be disclosed. We suggest we make this a ‘voluntary disclosure’ rather than compulsory. Para 22- It requires to disclose quantitative information on how the sustainability-related risks and opportunities are expected to affect (a) the most recently reported financial statements, (b) the carrying amount of assets and liabilities next year, (c) financial position and (d) financial performance to change over time. (a) and (b) are feasible as they serve as sensitivity analysis of existing financial position and the estimate in near term with more certainty. However, (c) and (d) require forecast with many assumptions and uncertainty. We suggest to allow more flexibility on disclosing the impacts in a qualitative manner. In case quantitative information is disclosed, underlying assumptions must be adequately disclosed to enhance the transparency and comparability of information for users.
Q5	Reporting entity (para37-41)	(a) Do you agree that the sustainability-related financial information should be required to be provided for the same reporting entity as the related financial statements? If not, why? (b) Is the requirement to disclose information about sustainability-related risks and opportunities related to activities, interactions and relationships, and to the use of resources along its value chain, clear and capable of consistent application? Why or why not? If not, what further requirements or guidance would be necessary and why? (c) Do you agree with the proposed requirement for identifying the related financial statements? Why or why not?	(a) Para 37 requires disclosure to enable users to assess enterprise value of the parent and its subsidiaries. Suggest to include other investments like joint ventures, associates in case they are material to the Group’s enterprise value as a whole. (b) Same comment as Para 15b. (c) No comment.
Q6	Connected information (para 42-44)	(a) Is the requirement clear on the need for connectivity between various sustainability-related risks and opportunities? Why or why not? (b) Do you agree with the proposed requirements to identify and explain the connections between	(a) Yes. (b) Partially agree. We agree to the requirement that an entity shall provide information that allows investors to assess the connection between different

		sustainability-related risks and opportunities and information in general purpose financial reporting, including the financial statements? Why or why not? If not, what do you propose and why?	sustainability-related risks and opportunities. However, we consider the requirements of disclosing how the corresponding strategic responses will impact the entity's financial position, financial performance and cash flow over the short, medium and long term impracticable. Same reason on our comments on Q4b. Qualitative disclosure is more viable.
Q7	Fair Presentation (para45-55)	(a) Is the proposal to present fairly the sustainability-related risks and opportunities to which the entity is exposed, including the aggregation of information, clear? Why or why not? (b) Do you agree with the sources of guidance to identify sustainability-related risks and opportunities and related disclosures? If not, what sources should the entity be required to consider and why? Please explain how any alternative sources are consistent with the proposed objective of disclosing sustainability-related financial information in the Exposure Draft.	(a) Yes. (b) No comment.
Q8	Materiality (para56-62)	(a) Is the definition and application of materiality clear in the context of sustainability-related financial information? Why or why not? (b) Do you consider that the proposed definition and application of materiality will capture the breadth of sustainability-related risks and opportunities relevant to the enterprise value of a specific entity, including over time? Why or why not? (c) Is the Exposure Draft and related Illustrative Guidance useful for identifying material sustainability-related financial information? Why or why not? If not, what additional guidance is needed and why? (d) Do you agree with the proposal to relieve an entity from disclosing information otherwise required by the Exposure Draft if local laws or regulations prohibit the	(a) Yes. (b) No comment. (c) No comment. (d) Yes.

		entity from disclosing that information? Why or why not? If not, why?	
Q9	Frequency of reporting (para 66-71)	Do you agree with the proposal that the sustainability-related financial disclosures would be required to be provided at the same time as the financial statements to which they relate? Why or why not?	Yes.
Q10	Location of information (para 72-78)	(a) Do you agree with the proposals about the location of sustainability-related financial disclosures? Why or why not? (b) Are you aware of any jurisdiction-specific requirements that would make it difficult for an entity to provide the information required by the Exposure Draft despite the proposals on location? (c) Do you agree with the proposal that information required by IFRS Sustainability Disclosure Standards can be included by cross-reference provided that the information is available to users of general purpose financial reporting on the same terms and at the same time as the information to which it is crossreferenced? Why or why not? (d) Is it clear that entities are not required to make separate disclosures on each aspect of governance, strategy and risk management for individual sustainability-related risks and opportunities, but are encouraged to make integrated disclosures, especially where the relevant sustainability issues are managed through the same approach and/or in an integrated way? Why or why not?	(a) No comment. (b) No comment. (c) Yes. Cross referencing should be used. (d) Yes.
Q11	Comparative Info, source of estimation and outcome uncertainty, and errors	(a) Have these general features been adapted appropriately into the proposals? If not, what should be changed? (b) Do you agree that if an entity has a better measure of a metric reported in the prior year that it should disclose the revised metric in its comparatives?	(a) Yes. (b) Yes, the disclosure will help investor to interpret the metric in the same scaling factor.

	(para 63-65,79-83,84-90)	(c) Do you agree with the proposal that financial data and assumptions within sustainability-related financial disclosures be consistent with corresponding financial data and assumptions used in the entity's financial statements to the extent possible? Are you aware of any circumstances for which this requirement will not be able to be applied?	(c) Partially agree. We agree that financial accounting treatment should be consistently applied in principle. However, it may not be possible for financial data regarding some aspects of sustainability. For example, future technology may render very different useful life and thus depreciation of a similar asset. The financial data and assumptions used in the financial statements represent the "best estimate" from the management's point of view. Users also expect the consistent information would be applied throughout the report. If different assumptions must be used in some circumstances, disclosing reason of the difference is required to manage users' expectation. The issuer should also need to explain to the auditor to justify the set of information used is still the "best estimate" from management.
Q12	Statement of Compliance (para 91-92)	Do you agree with this proposal? Why or why not? If not, what would you suggest and why?	The exposure draft does not specify whether such statement can be made by the entity itself, or should be made by its auditor, or a certification body within the industry. This subject is very industry and company specific and its not governed by one single set of Standard. Therefore, the Statement is not feasible and not meaningful to have such Statement because it cannot be compared with anything else.
Q13	Effective date (App B)	(a) When the ISSB sets the effective date, how long does this need to be after a final Standard is issued? Please explain the reason for your answer, including specific information about the preparation that will be required by entities applying the proposals, those using the sustainability-related financial disclosures and others. (b) Do you agree with the ISSB providing the proposed relief from disclosing comparatives in the first year of application? If not, why not?	(a) At least 3 years. ISSB should give sufficient time to entities and auditors to study the Standard. We may need to engage external consultants to understand the requirements and explore the ways to fulfill them. Management also need time to study the requirements, by then redesigning of the workflows and deploying adequate resources will be required to capture the necessary data and information etc. We consider more time for the auditors is needed in order for them to familiarize themselves with different industries and different risks. (b) Yes. It is expected that much work and confusion will be expected in the first year of application, relief from providing comparatives can ease the burden. We also consider that this is a forward-looking objective and should focus on the effort from the present time to the future.
Q14	Global baseline	Are there any particular aspects of the proposals in the Exposure Draft that you believe would limit the ability of IFRS Sustainability Disclosure Standards to	No comment.

		be used in this manner? If so, what aspects and why? What would you suggest instead and why?	
Q15	Digital Reporting	Do you have any comments or suggestions relating to the drafting of the Exposure Draft that would facilitate the development of a Taxonomy and digital reporting (for example, any particular disclosure requirements that could be difficult to tag digitally)?	No comment.
Q16	Cost, benefits and likely effects	(a) Do you have any comments on the likely benefits of implementing the proposals and the likely costs of implementing them that the ISSB should consider in analysing the likely effects of these proposals? (b) Do you have any comments on the costs of ongoing application of the proposals that the ISSB should consider?	(a) It is one of the things that could differentiate a company from its peer group and improve its reputation provided that the proposal is properly implemented. However, we expect this is a very costly exercise that will be a constraint for some companies. (b) No comment.
Q17		Do you have any other comments on the proposals set out in the Exposure Draft?	N/A

IFRS S2 Climate-related Disclosures

No.	Areas	Questions	Proposed Answers
Q1	Objective of the Exposure Draft	(a) Do you agree with the objective that has been established for the Exposure Draft? Why or why not? (b) Does the objective focus on the information that would enable users of general purpose financial reporting to assess the effects of climate-related risks and opportunities on enterprise value? (c) Do the disclosure requirements set out in the Exposure Draft meet the objectives described in paragraph 1? Why or why not? If not, what do you propose instead and why?	(a) Yes (b) Yes (c) Yes
Q2	Governance	Do you agree with the proposed disclosure requirements for governance processes, controls and procedures used to monitor and manage climate-related risks and opportunities? Why or why not?	Yes. We believe the highest governance body (i.e. the Board) of an entity has the overall responsibility for its ESG and sustainability matters. Strong governance ensures that climate change is always incorporated into the corporate agenda. The entity should also disclose how climate change issues are managed under different levels of governance within the organisation, from oversight from the Board, through senior management to different functional and business units. This principle is consistent with the TCFD's recommendations.
Q3	Identification of climate-related risks and opportunities	(a) Are the proposed requirements to identify and to disclose a description of significant climate-related risks and opportunities sufficiently clear? Why or why not? (b) Do you agree with the proposed requirement to consider the applicability of disclosure topics (defined in the industry requirements) in the identification and description of climate-related risks and opportunities? Why or why not? Do you believe that this will lead to improved relevance and comparability of disclosures? Why or why not? Are there any additional requirements that may improve the relevance and comparability of such disclosures? If so, what would you suggest and why?	(a) Yes (b) Yes. It is very sensible that different entities will have their own industry-specific climate-related risks and opportunities. A good disclosure should be based on the relevance and materiality of the issues. Considering the applicability of disclosure topics could help the general users to understand the relevance between climate risks and the entity's industry.

Q4	Concentrations of climate-related risks and opportunities in an entity's value chain	(a) Do you agree with the proposed disclosure requirements about the effects of significant climate-related risks and opportunities on an entity's business model and value chain? Why or why not? (b) Do you agree that the disclosure required about an entity's concentration of climate-related risks and opportunities should be qualitative rather than quantitative? Why or why not? If not, what do you recommend and why?	(a) Yes. This can provide a holistic approach to manage climate risks, given the fact that a failure in one's value chain could lead to reputation risk and financial loss. (b) Yes. Since this is the first IFRS Climate-related Disclosures standard, it is more likely to be an awareness raising exercise as a very first step. Alternatively, the IFRS can take a progressive approach to require a certain degree of quantitative disclosure future revisions.
Q5	Transition plans and carbon offsets	(a) Do you agree with the proposed disclosure requirements for transition plans? Why or why not? (b) Are there any additional disclosures related to transition plans that are necessary (or some proposed that are not)? If so, please describe those disclosures and explain why they would (or would not) be necessary. (c) Do you think the proposed carbon offset disclosures will enable users of general purpose financial reporting to understand an entity's approach to reducing emissions, the role played by carbon offsets and the credibility of those carbon offsets? Why or why not? If not, what do you recommend and why? (d) Do you think the proposed carbon offset requirements appropriately balance costs for preparers with disclosure of information that will enable users of general purpose financial reporting to understand an entity's approach to reducing emissions, the role played by carbon offsets and the soundness or credibility of those carbon offsets? Why or why not? If not, what do you propose instead and why?	(a) Yes (b) No (c) Yes (d) Yes
Q6	Current and anticipated effects	(a) Do you agree with the proposal that entities shall disclose quantitative information on the current and anticipated effects of climate-related risks and opportunities unless they are unable to do so, in which case qualitative information shall be provided (see paragraph 14)? Why or why not?	(a) We agree to this proposal to encourage entities to disclose their qualitative and quantitative information on the current and anticipated effects of climate-related risks and opportunities for greater transparency.

		(b) Do you agree with the proposed disclosure requirements for the financial effects of climate-related risks and opportunities on an entity's financial performance, financial position and cash flows for the reporting period? If not, what would you suggest and why?	(b) We agree to the principle of disclosing the financial effects of climate-related risks and opportunities on an entity's financial performance, financial position and cash flows. However, such requirements could be challenging for some entities as they might not have the internal resources or expertise to conduct the financial modelling to examine the effects on climate-related risks and opportunities on their financial performance. In the early stage of this ISSB standard, we think a step-by-step approach should be considered. We propose the disclosure requirements to only require disclosure of the qualitative information of the associated financial effects while encourage entities to disclose the relevant quantitative information. In the next revision and when things are getting mature, IFRS can propose adding the requirement of disclosing quantitative information.
		(c) Do you agree with the proposed disclosure requirements for the anticipated effects of climate-related risks and opportunities on an entity's financial position and financial performance over the short, medium and long term? If not, what would you suggest and why?	(c) We agree to the principle of disclosing the anticipated effects of climate-related risks and opportunities on an entity's financial position and financial performance over the short, medium and long term. However, such requirements could be challenging for some entities as they might not have the internal resources or expertise to conduct the financial modelling to examine the effects on climate-related risks and opportunities on their financial performance over different time horizons. In the early stage of this ISSB standard, we think a step-by-step approach should be considered. We propose the disclosure requirements to only require disclosure of the qualitative information of the associated financial effects while encourage entities to disclose the relevant quantitative information. In the next revision and when things are getting mature, IFRS can propose adding the requirement of disclosing quantitative information.
Q7	Climate resilience	(a) Do you agree that the items listed in paragraph 15(a) reflect what users need to understand about the climate resilience of an entity's strategy? Why or why not? If not, what do you suggest instead and why? (b) The Exposure Draft proposes that if an entity is unable to perform climate-related scenario analysis, that it can	(a) Yes. The items listed are consistent with the TCFD's recommendations on conducting a climate-related scenario analysis. (b) (i) Yes

		use alternative methods or techniques (for example, qualitative analysis, single-point forecasts, sensitivity analysis and stress tests) instead of scenario analysis to assess the climate resilience of its strategy. (i) Do you agree with this proposal? Why or why not? (ii) Do you agree with the proposal that an entity that is unable to use climate-related scenario analysis to assess the climate resilience of its strategy be required to disclose the reason why? Why or why not? (iii) Alternatively, should all entities be required to undertake climate-related scenario analysis to assess climate resilience? If mandatory application were required, would this affect your response to Question 14(c) and if so, why? (c) Do you agree with the proposed disclosures about an entity's climate-related scenario analysis? Why or why not? (d) Do you agree with the proposed disclosure about alternative techniques (for example, qualitative analysis, single-point forecasts, sensitivity analysis and stress tests) used for the assessment of the climate resilience of an entity's strategy? Why or why not? (e) Do the proposed disclosure requirements appropriately balance the costs of applying the requirements with the benefits of information on an entity's strategic resilience to climate change? Why or why not? If not, what do you recommend and why?	(b) (ii) Yes (b) (iii) We do not agree to this proposal. Because not every entity has the compatibility to conduct a climate-related scenario analysis. The lack of industry information can also be a huge challenge the entity to conduct such an analysis. See our answers to (c) for further details. (c) Partly agree. Rather than mandatory application, the disclosure should provide a certain degree of flexibility. The requirements should be flexible in a way that entities can choose to undertake a climate-related scenario analysis if they are able to do so. If not, they should disclose their future plan and the reasons for not having one at the moment. (d) Yes (e) Yes
Q8	Risk management	Do you agree with the proposed disclosure requirements for the risk management processes that an entity uses to identify, assess and manage climate-related risks and opportunities? Why or why not? If not, what changes do you recommend and why?	Yes
Q9	Cross-industry metric	(a) The cross-industry requirements are intended to provide a common set of core, climate-related disclosures	(a) Yes

	categories and greenhouse gas emissions	applicable across sectors and industries. Do you agree with the seven proposed cross-industry metric categories including their applicability across industries and business models and their usefulness in the assessment of enterprise value? Why or why not? If not, what do you suggest and why? (b) Are there any additional cross-industry metric categories related to climate-related risks and opportunities that would be useful to facilitate cross-industry comparisons and assessments of enterprise value (or some proposed that are not)? If so, please describe those disclosures and explain why they would or would not be useful to users of general purpose financial reporting. (c) Do you agree that entities should be required to use the GHG Protocol to define and measure Scope 1, Scope 2 and Scope 3 emissions? Why or why not? Should other methodologies be allowed? Why or why not? (d) Do you agree with the proposals that an entity be required to provide an aggregation of all seven greenhouse gases for Scope 1, Scope 2, and Scope 3—expressed in CO2 equivalent; or should the disclosures on Scope 1, Scope 2 and Scope 3 emissions be disaggregated by constituent greenhouse gas (for example, disclosing methane (CH4) separately from nitrous oxide (NO2))? (e) Do you agree that entities should be required to separately disclose Scope 1 and Scope 2 emissions for: (i) the consolidated entity; and (ii) for any associates, joint ventures, unconsolidated subsidiaries and affiliates? Why or why not? (f) Do you agree with the proposed inclusion of absolute gross Scope 3 emissions as a cross-industry metric	 (b) No (c) Yes. The GHG Protocol is the commonly used standard, which classifies GHG emissions into three scopes. (d) We agree to the proposal to provide an aggregation of all seven greenhouse gases for Scope 1, Scope 2, and Scope 3 expressed in CO2 equivalent. This can provide a quick indication to the general users to understand the key source of an entity's greenhouse gas profile. Moreover, entities could put remarks to explain any details of their greenhouse gas emissions within the Scope. (e) Yes. Because an entity may not have operational control over associates, joint ventures, unconsolidated subsidiaries and affiliates. (f) Yes, the disclosure of Scope 3 emissions should be based on materiality.

		category for disclosure by all entities, subject to materiality? If not, what would you suggest and why?	
Q10	Targets	(a) Do you agree with the proposed disclosure about climate-related targets? Why or why not? (b) Do you think the proposed definition of 'latest international agreement on climate change' is sufficiently clear? If not, what would you suggest and why?	(a) Yes (b) Yes. This would refer to the United Nations Framework Convention on Climate Change, which is the United Nations entity tasked with supporting the global response to the threat of climate change.
Q11	Industry-based requirements	(a) Do you agree with the approach taken to revising the SASB Standards to improve the international applicability, including that it will enable entities to apply the requirements regardless of jurisdiction without reducing the clarity of the guidance or substantively altering its meaning? If not, what alternative approach would you suggest and why? (b) Do you agree with the proposed amendments that are intended to improve the international applicability of a subset of industry disclosure requirements? If not, why not? (c) Do you agree that the proposed amendments will enable an entity that has used the relevant SASB Standards in prior periods to continue to provide information consistent with the equivalent disclosures in prior periods? If not, why not? (d) Do you agree with the proposed industry-based disclosure requirements for financed and facilitated emissions, or would the cross-industry requirement to disclose Scope 3 emissions (which includes Category 15: Investments) facilitate adequate disclosure? Why or why not? (e) Do you agree with the industries classified as 'carbon-related' in the proposals for commercial banks and	(a) Yes. SASB Standards has been a good reporting standard that helps companies integrate standardised, industry-specific accounting metrics into existing financial reporting and management activities. (b) Yes (c) Yes. The proposed amendments are largely based on the current SASB industry standard. For questions (d) to (i), they are referring to four industries - commercial banks, investment banks, insurance and asset management, which are not applicable to us.

		insurance entities? Why or why not? Are there other industries you would include in this classification? If so, why? (f) Do you agree with the proposed requirement to disclose both absolute- and intensity-based financed emissions? Why or why not? (g) Do you agree with the proposals to require disclosure of the methodology used to calculate financed emissions? If not, what would you suggest and why? (h) Do you agree that an entity be required to use the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard to provide the proposed disclosures on financed emissions without the ISSB prescribing a more specific methodology (such as that of the Partnership for Carbon Accounting Financials (PCAF) Global GHG Accounting & Reporting Standard for the Financial Industry)? If you don't agree, what methodology would you suggest and why? (i) In the proposal for entities in the asset management and custody activities industry, does the disclosure of financed emissions associated with total assets under management provide useful information for the assessment of the entity's indirect transition risk exposure? Why or why not? (j) Do you agree with the proposed industry-based requirements? Why or why not? If not, what do you suggest and why? (k) Are there any additional industry-based requirements that address climate-related risks and opportunities that are necessary to enable users of general purpose financial reporting to assess enterprise value (or are some proposed that are not)? If so, please describe those disclosures and explain why they are or are not	(j) Yes (k) No comment.

		necessary. (l) In noting that the industry classifications are used to establish the applicability of the industry-based disclosure requirements, do you have any comments or suggestions on the industry descriptions that define the activities to which the requirements will apply? Why or why not? If not, what do you suggest and why?	 (l) No comment.
Q12	Costs, benefits and likely effects	(a) Do you have any comments on the likely benefits of implementing the proposals and the likely costs of implementing them that the ISSB should consider in analysing the likely effects of these proposals? (b) Do you have any comments on the costs of ongoing application of the proposals that the ISSB should consider? (c) Are there any disclosure requirements included in the Exposure Draft for which the benefits would not outweigh the costs associated with preparing that information? Why or why not?	(a) No (b) No (c) No
Q13	Verifiability and enforceability	Are there any disclosure requirements proposed in the Exposure Draft that would present particular challenges to verify or to enforce (or that cannot be verified or enforced) by auditors and regulators? If you have identified any disclosure requirements that present challenges, please provide your reasoning.	No. The purpose of verifying is to ensure the whole reporting process follows the requirements. However, it leaves unclear to us that what kinds of professional bodies are eligible to conduct a verification on an entity's report. Would it be the same as our financial auditor?
Q14	Effective date	(a) Do you think that the effective date of the Exposure Draft should be earlier, later or the same as that of [draft] IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information? Why? (b) When the ISSB sets the effective date, how long does this need to be after a final Standard is issued? Please	(a) Same as that of S1 would be reasonable. (b) At least 3 years would be appropriate. ISSB should give sufficient time to entities and auditors to study the Standard. An entity may even

		explain the reason for your answer including specific information about the preparation that will be required by entities applying the proposals in the Exposure Draft. (c) Do you think that entities could apply any of the disclosure requirements included in the Exposure Draft earlier than others? (For example, could disclosure requirements related to governance be applied earlier than those related to the resilience of an entity's strategy?) If so, which requirements could be applied earlier and do you believe that some requirements in the Exposure Draft should be required to be applied earlier than others?	need to engage external consultants to understand the requirements and explore the ways to fulfill them. Management also need time to study the requirements, by then redesigning of the workflow and deploying adequate resources will be required to capture the necessary data and information…etc. (c) Yes. Some aspects of the disclosure requirements, such as Governance and Strategy, require less time to establish actions to respond. Entitles could apply these disclosures earlier than others.
Q15	Digital reporting	Do you have any comments or suggestions relating to the drafting of the Exposure Draft that would facilitate the development of a Taxonomy and digital reporting (for example, any particular disclosure requirements that could be difficult to tag digitally)?	No comment.
Q16	Global baseline	Are there any particular aspects of the proposals in the Exposure Draft that you believe would limit the ability of IFRS Sustainability Disclosure Standards to be used in this manner? If so, what aspects and why? What would you suggest instead and why?	No. The aspects of the proposals are largely developed based on existing sustainability standards and guidelines in the market.
Q17	Other comments	Do you have any other comments on the proposals set out in the Exposure Draft?	N/A