



Environmental, Social and Governance (ESG) Services

Faced with the challenges of climate change and resource scarcity, environmental, social, and governance (ESG) strategies and carbon reduction planning have become central to capital markets and regulatory discussions.

Companies are increasingly integrating ESG into their core business operations, viewing it as essential for reducing costs, attracting investment, and contributing to a sustainable future. An effective sustainability strategy requires a transparent approach, robust governance, and high-quality corporate reporting to address the full spectrum of ESG issues. The tangible benefits include increased trust, competitive advantage, enhanced employee engagement, reduced waste through streamlined business processes, and greater loyalty and support from a diverse range of stakeholders.

Based on your company's progress on the sustainability journey, we have assembled a team of experts to provide bespoke solutions tailored to your objectives. Whether it involves reporting, supply chain awareness, decarbonisation, or climate change risk assessment, our expertise can deliver the right sustainable solutions.

VISTRN 卓佳

Wherever
your ambition
takes you

9,000+

experts

50+

markets

200,000

legal entities managed

US\$495 billion

assets under administration

Nearly half

of the Fortune Global 500 companies and two-thirds of the Private Equity International (PEI) 300—the largest investors in the world, consider Vistra their partner of choice

Regulatory compliance

IFRS S1 & S2

The International Sustainability Standards Board (ISSB) published its first standards—IFRS S1: General Requirements for Sustainability-related Financial Disclosures and IFRS S2: Climate-related Disclosures—in June 2023. These standards establish a common language for disclosing the impacts of climate-related risks and opportunities.

The standards will be effective for annual reporting periods beginning on or after 1 January 2024 and can be used to prepare and report sustainability-related financial disclosures. They follow a structure similar to that of the Task Force on Climate-related Financial Disclosures (TCFD), requiring entities to disclose information on governance, strategy, risk management, and metrics and targets.

Appendix C2 of the Main Board Listing Rules and GEM Listing Rules of the Hong Kong Stock Exchange

The Hong Kong Stock Exchange published the consultation conclusions on 19 April 2024 and adopted all recommendations from the consultation to best reflect the requirements of IFRS S2. Following this, the Stock Exchange also released the Implementation Guidelines, which include the conceptual basis and general requirements of IFRS S1.

The existing requirements of Part B and Part C of the ESG Code (formerly the ESG Guidelines) have been largely retained, with the exception that the requirements concerning Scope 1 and 2 greenhouse gas (GHG) emissions have been moved to Part D. The new Part D of the ESG Code, as outlined in Appendix C2 of the Main Board and GEM Listing Rules, sets forth detailed new disclosure requirements for the four core pillars of the International Financial Reporting Standards Sustainability Disclosure Standard: governance, strategy, risk management, and indicators and targets. This standard will be implemented gradually for annual reporting periods beginning on or after 1 January 2025.

Voluntary disclosures

Global Reporting Initiative (GRI)

The Global Reporting Initiative (GRI) standards, published by the Global Sustainability Standards Board (GSSB), are the most widely adopted voluntary reporting standards in the world. Following GRI's modular structure, organisations can reliably report on their management of material topics, both positive and negative, and include forward-looking goals and targets. GRI creates a common global language for organisations to report on these issues, enabling more informed conversations and decisions.

ESG rating framework

ESG ratings are tools used by investors, analysts, and other corporate stakeholders to assess a company's long-term sustainability and risk management. The methodology is not uniform, so each rating agency can employ a variety of methods and criteria to evaluate a company.

Other relevant guidelines or guidance opinions

- Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies—Sustainability Report (Trial)
- Self-Regulatory Guidelines No.17 for Companies Listed on Shenzhen Stock Exchange - Sustainable Development Report (for Trial Implementation)
- Continuous Supervisory Guidelines No. 11 for Companies Listed on Beijing Stock Exchange—Sustainability Report (For Trial Implementation)
- Guidelines to the Centrally-administered State-owned Enterprises on the High-standard Fulfillment of Social Responsibility in the New Era



Vistra's ESG professional team can provide you with the following services:

- **Disclosure and writing of ESG report content**
 - Conduct materiality assessment
 - Conduct interviews and discussions
 - Write ESG report
 - Check the consistency of Chinese and English content in the report
- **New regulations transition and climate-related solutions**
 - Identify the gap between actual and new regulations through interviews and analysis
 - Identify climate risks and establish a climate change risk category library
 - Refer to international disclosure requirements and make disclosures based on actual conditions
- **ESG and climate-related governance structure construction**
 - Assist companies to build and improve ESG committees
 - Provide ESG governance training and new regulations training to enhance team competence
- **ESG rating assessment and optimisation**
 - Assist in filling out and submitting rating questionnaires
 - Identify the gap between actual conditions and rating indicators, refer to advanced practices in the industry, and provide suggestions and action guidelines
- **Writing of ESG-related content in the prospectus**
 - Interview and understand the company's situation, identify the company's ESG practices
 - Assist in writing ESG-related content in the prospectus and disclose the company's ESG performance

Our Global Entity Management solutions reduce risk and improve the governance of your global entities



Entity assessment

- Corporate health check
- Entity audit
- Entity restructuring



Entity support

- Director Training
- Board support



Entity compliance

- Company secretarial services
- Dispute resolution
- KYC/AML
- Tax returns
- FATCA reports



About Vistra

Here at Vistra, **our purpose is progress**. As a close ally to our clients, our role is to remove the friction that comes from the complexity of global business. We partner with companies and private capital managers along the corporate and private capital lifecycle. From HR to tax and from legal entity management to regulatory compliance, we quietly fix the operational and administrative frustrations that hamper business growth. With over 9,000 experts in more than 50 markets, we can accelerate progress, improve processes and reduce risk, wherever your ambition takes you.

