



Via email: [mavis.tan@asx.com.au](mailto:mavis.tan@asx.com.au)

November 15, 2013

**Re: Proposed Changes to ASX Listing Rules and Guidance Note 9**

Dear Ms. Tan,

This letter is provided by British Columbia Investment Management Corporation (bcIMC) in response to the public consultation currently underway on proposed changes to the ASX Listing Rules as well as Guidance Note 9. bcIMC would like to express its support for the changes proposed as well as offer some specific feedback.

bcIMC is among Canada's leading institutional investors, with responsibility for managing approximately \$100 billion in global assets on behalf of more than 500,000 pension beneficiaries in our province. Our assets under management as of March 31, 2013 included over \$1 billion invested in the shares of Australian public companies.

As a large, diversified investor, an important element of our investment activities involves actively promoting high corporate governance standards. We believe that good governance is fundamental for building confidence in the capital markets and helping to generate sustainable, long-term value in the companies in our portfolio.

bcIMC is generally supportive of a "if not, why not" approach, otherwise known as "comply or explain." It is the dominant approach in Canada as well and provides listed entities with best practice guidance while allowing for some flexibility in each company's approach.

bcIMC is particularly supportive of the new Appendix 4G that will be introduced to the Listing Rules as of 2014. This key to the location of relevant governance disclosures is most useful to investors because we currently spend a great deal of time on identifying and locating the various pieces of information that are important to us. The Appendix 4G summary will allow us to be much more efficient going forward.

The only other point we would like to make relates to Recommendation 7.4 in the Annexure of Guidance Note 9 which is currently proposed as:

*A listed entity should disclose whether, and if so how, it has regard to economic, environmental and social sustainability risks.*

bcIMC does integrate environmental, social and governance (ESG) risk into our investment analysis consistent with a commitment to the Principles for Responsible Investment (PRI). Given this commitment, we are supportive of efforts that will increase the ease with which we can access ESG data as there is a wide spectrum in how listed entities report. However, we would recommend a small change to the language used in the above statement to avoid confusion.

Presumably, economic risks are already well regulated and are subject to well-developed disclosure requirements. The PRI investor community and other investors utilize the phrase “environmental, social and governance risks” and we would encourage the ASX to be consistent to avoid confusion and uncertainty.

In addition, we would encourage the ASX to consider taking an active role in the Sustainable Stock Exchanges Initiative (SSE), convened by the PRI and three other United Nations organizations. Members share a commitment to encourage responsible investment and enhanced ESG disclosure and performance among listed companies and benefit from exchanging information among peer exchanges around the world on encouraging ESG disclosure from listed entities. There are currently eight partner exchanges and you can find out more at: <http://www.sseinitiative.org/partner/the-commitment/>.

bcIMC appreciates your willingness to consider our comments as the ASX continues on its path of adopting best practice in corporate governance.

Should you have any questions, please feel free to contact me.

Sincerely,



Doug Pearce  
Chief Executive Officer/Chief Investment Officer