

The Stock Exchange of Hong Kong Limited
(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

Our Ref: MD20120907-041

7 September 2012

To: Main Board Listed Issuers (Attn: Authorised Representatives)
GEM Listed Issuers (Attn: Authorised Representatives)
Market practitioners

Dear Sirs,

Consultation Paper on Board Diversity

We have today published a Consultation Paper on Board Diversity (the “**Consultation Paper**”).

Under the proposals, the Corporate Governance Code’s Principle for “Board Composition” will be revised to include “diversity of perspectives”. This is so that when the issuer reviews its board composition, in addition to examining whether it has a balance of skills, experience and independence, it should also consider the benefits of diversity.

The proposals include a new Code Provision (i.e. subject to “comply or explain”) stating that the nomination committee (or the board) should have a policy concerning diversity in the boardroom, and should disclose the policy or a summary of the policy in the corporate governance report. There will be a new Note to clarify what is meant by diversity.

It is also proposed that if the issuer has a policy concerning diversity, it should disclose any measurable objectives that it has set for implementing the policy, and progress on achieving the objectives.

The Consultation Paper is available on the HKE_x website at <http://www.hkex.com.hk/eng/newsconsul/mktconsul/Documents/cp201209.pdf>. We invite written comments on the proposed changes. These can be made using one of the methods set out in the Consultation Paper. We have also published a consultation questionnaire available at <http://www.hkex.com.hk/eng/newsconsul/mktconsul/Documents/cp201209q.doc>.

The consultation period will close on 9 November 2012.

Yours faithfully
For and on behalf of
The Stock Exchange of Hong Kong Limited

[Signed]

Mark Dickens JP
Head of Listing