

Question 1

Do you agree with our proposal to introduce a code provision ("CP") requiring an issuer's board to set culture in alignment with issuer's purpose, value and strategy?

No

Please give reasons for your views.

A RBP is sufficient.

Question 2a

Do you agree with our proposal to introduce a CP requiring establishment of an anti-corruption policy?

No

Please give reasons for your views.

RBP is sufficient

Question 2b

Do you agree with our proposal to upgrade a Recommended Best Practice ("RBP") to CP requiring establishment of a whistleblowing policy?

No

Please give reasons for your views.

RBP is sufficient

Question 3

Do you agree with our proposal to introduce a CP requiring disclosure of a policy to ensure independent views and input are available to the board, and an annual review of the implementation and effectiveness of such policy?

No

Please give reasons for your views.

The existing mechanism under the Listing Rules is already good enough to allow the issuers and the shareholders enough

to understand and assess the independence and the views of INEDs.

Also, up-to-date requirements have been implemented in assessing the independence of INEDs with effect from January 2019 under the prevailing Listing Rules. I do not see there is any need to introduce a policy to ensure independent views and input are available to the board of the issuers, nor any disclosure of effectiveness review.

It could be an unnecessary burden to the issuer to establish such policy where similar measures are already in place.

Question 4a

Do you agree with our proposal regarding re-election of an independent non-executive director serving more than nine years ("Long Serving INEDs") to revise an existing CP to require (i) independent shareholders' approval; and (ii) additional disclosure on the factors considered, the process and the board or nomination committee's discussion in arriving at the determination in the explanation on why such Long Serving INED is still independent and should be re-elected?

No

Please give reasons for your views.

There is no ground to support a presumption that the Long Serving INEDs are less capable of bringing fresh perspectives and independent judgement to the board of the issuers.

Each shareholder should have equal right to vote in respect of the appointment of director. The new requirements simply deprive the rights of the major or controlling shareholders of the issuers.

- The simply re-election of Long Serving INEDs by independent shareholders does not resolve the governance matters if there is no better INED available to the issuer nor the shareholders due to whatever reason(s).

- The accountability of the board to the shareholders (including the independent shareholders) has been governed under relevant laws, rules and regulations applicable to the issuers. The Long Serving INEDs (being offered for re-election) should not only comply with the independence requirements of the Listing Rules but should also be well aware of his/her obligations and fiduciary duties as a director under the laws.

Additional disclosures are considered to be unnecessary since the existing provisions in the Listing Rules have already set out the detailed information requirements for Long Serving INEDs to be included in the relevant circular proposing their re-election.

Question 4b

Do you agree with our proposal to introduce a CP requiring an issuer to appoint a new independent non-executive director ("INED") at the forthcoming annual general meeting where all the INEDs on the board are Long Serving INEDs, and disclosing the length of tenure of the Long Serving INEDs on the board on a named basis in the shareholders' circular?

No

Please give reasons for your views.

Although all the INEDs of the issuers are Long Serving INEDs, it should not necessarily impair their independence and may not affect their independent views and judgements to the board. As the criteria for appointment and re-election of INEDs are provided in the Listing Rules, the appointment of an additional INED does not address the independence issue which does not necessarily exist.

Judgment on the independence of an INED should not depend on the length of tenure of services to the board.

More importantly, the composition and number of board members (including INEDs) should be comparable to the size and nature of the business of the issuers. Any appointment of

director candidate (including INEDs) should only be made if it is necessary and beneficial to the Company and the shareholders as a whole. Requiring an issuer to appoint a new INED may create other issues to the issuers.

Relevant information of the directors (including INEDs) of the issuers can normally be found in the respective companies' websites and its annual report and relevant circular. Additional disclosures are unnecessary.

Question 5

Do you agree with our proposal to introduce a new RBP that an issuer generally should not grant equity-based remuneration (e.g. share options or grants) with performance-related elements to INEDs as this may lead to bias in their decision-making and compromise their objectivity and independence?

No

Please give reasons for your views.

There are already restrictions under the listing rules on the maximum number of shares that can be held by and granted for INEDs. More stringent remuneration requirements (despite in the form of a new RBP) could make those competent candidates unwilling to join the board of the issuers as the rewards are not commensurate with the duties and obligations owed by the INEDs to the issuers.

INEDs are giving their independent views and judgements to the board. Similar to other directors, they should be eligible to be rewarded by equity-based remuneration.

Even if the INEDs could be remunerated with equity-based remuneration, it does not necessarily impair their independent judgments nor lead to any bias in their decision-making.

Question 6a

Do you agree with our proposal to highlight that diversity is not considered to be achieved by a single gender board in the note of the Rule?

No

Please give reasons for your views.

As stated in the note to MB LR13.92 "Board diversity will differ according to the circumstances of each issuer". Gender diversity is only one of the many considerations in the board diversity but it is not necessary the one that must be fulfilled to enhance the board diversity of issuers.

Question 6b

Do you agree with our proposal to introduce a Mandatory Disclosure Requirement ("MDR") requiring all listed issuers to set and disclose numerical targets and timelines for achieving gender diversity at both: (a) board level; and (b) across the workforce (including senior management)?

No

Please give reasons for your views.

See answer to 6(a) above

Question 6c

Do you agree with our proposal to introduce a CP requiring the board to review the implementation and effectiveness of its board diversity policy annually?

Yes

Please give reasons for your views.

Question 6d

Do you agree with our proposal to amend the relevant forms to include directors' gender information?

Yes

Please give reasons for your views.

Question 7

Do you agree with our proposal to upgrade a CP to Rule requiring issuers to establish a nomination committee chaired by an INED and comprising a majority of INEDs?

Yes

Please give reasons for your views.

Question 8

Do you agree with our proposal to upgrade a CP to a MDR to require disclosure of the issuer's shareholders communication policy (which includes channels for shareholders to communicate their views on various matters affecting issuers, as well as steps taken to solicit and understand the views of shareholders and stakeholders) and annual review of such policy to ensure its effectiveness?

Yes

Please give reasons for your views.

Question 9

Do you agree with our proposal to introduce a Rule requiring disclosure of directors' attendance in the poll results announcements?

Yes

Please give reasons for your views.

Question 10

Do you agree with our proposal to delete the CP that requires issuers to appoint non-executive directors for a specific term?

Yes

Please give reasons for your views.

Question 11

Do you agree with our proposal to elaborate the linkage in the Code by (a) setting out the relationship between corporate governance and environmental, social and governance ("ESG") in the introductory section; and (b) including ESG risks in the context of risk management under the Code?

Yes

Please give reasons for your views.

Question 12

Do you agree with our proposal to amend the Rules and the ESG Guide to require publication of ESG reports at the same time as publication of annual reports?

Yes

Please give reasons for your views.

Question 13

Do you have any comments on how the re-arranged Code is drafted in the form set out in Appendices III and IV to the Consultation Paper and whether it will give rise to any ambiguities or unintended consequences?

No

Please give reasons for your views.

Question 14

In addition to the topics mentioned in the Consultation Paper, do you have any comments regarding what to be included in the new guidance letter on corporate governance (i.e. CG GL) which may be helpful to issuers for achieving the Principles set out in the Code?

No

Please give reasons for your views.

Question 15a

Do you agree with our proposed implementation dates for all proposals (except the proposals on Long Serving INED): the financial year commencing on or after 1 January 2022?

No

Please give reasons for your views.

The issuers need to invest resources and time to understand and get ready for the rule changes .. The time for preparation is simply not sufficient.

Question 15b

Do you agree with our proposed implementation dates for proposals on Long Serving INED: the financial year commencing on or after 1 January 2023?

No

Please give reasons for your views.

I do not agree that there is a need to make amendments