

**HKEX Consultation Paper
Review of Corporate Governance Code and
Related Listing Rules, April 2021**

PERSONAL SUBMISSION

On Diversity

Question 6(a) 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?

Yes, I agree.

By nature, men and women perceive issues from different perspectives, which when taken into consideration singly may generate different approaches to an issue and probably different outcomes on the issue. Research findings have indicated such differences in predisposition. It is not a question about who is superior, but it is simply a fact of different perspectives.

A single-gender board is deprived of the opportunity to examine issues from angles of both genders. While board diversity incurs a combination of many factors, gender diversity in the board would at least introduce viewpoints from different but complementary perspectives of the two genders. Without gender diversity in the board, a holistic approach to consideration in board discussions is not achieved. After giving due consideration to views from perspectives of both genders, the conclusion is still subject to the process of voting based on rational decision. Whatever the final decision is, due diligence will have been done.

While many other factors need to be addressed in board diversity, gender diversity is a crucial factor that must be introduced. In implementation of the factors of board diversity, gender diversity is the least difficult aspect to execute inclusiveness, whereas other aspects such as ethnicity, education, experience, age etc have wide ranges of coverage to be addressed.

As to the introduction to a single-gender board of “at least a director of the absent gender”, some people have interpreted it as an imposed quota. This one director is a minimum threshold for ice-breaking and is not a quota per se. If the number of one is regarded as an undesirable quota, boards will not be able to benefit from gender diversity.

The three-year transition period is reasonable.

Submitted by Anonymous

18 June 2021