

9. Do you agree with our proposal to upgrade the General Disclosures for each Aspect of the ESG Guide to “comply or explain”?

☒ Yes

☐ No

Please give reasons for your views.

The Equal Opportunities Commission (EOC) is the statutory body tasked to implement the anti-discrimination ordinances in Hong Kong, namely the Sex Discrimination Ordinance, the Disability Discrimination Ordinance, the Family Status Discrimination Ordinance and the Race Discrimination Ordinance. Our vision is to create a pluralistic and inclusive society free of discrimination where there is no barrier to equal opportunities.

We agree with HKEx's proposal to upgrade the General Disclosures for each Aspect of the ESG Guide to "comply or explain." Of particular relevance to the EOC's work is the General Disclosures for Aspect A1 ("Working Conditions") of the current Guide. We support the proposal to make the disclosure of this Aspect a "comply or explain" requirement. We also support the amendment of the wording to: "compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare."

The EOC feels that such a move sends a strong message of support for equal opportunities from the HKEx, which can help to inspire change and to highlight the importance of the issue to corporations. After all, the significance of an inclusive work environment cannot be underestimated. Close to 80% of the complaints received by the EOC are employment-related. This clearly highlights the need for greater awareness as well as stronger policies and practices to encourage equal opportunities, diversity, and inclusion at work.

The EOC welcomes the addition of "anti-discrimination" into the amended wording. We feel that this express inclusion will provide greater clarity to the issuers on their disclosure requirements, as well as remind them of their obligations under the anti-discrimination legislation.

Moreover, requiring companies to disclose this information on a "comply or explain" basis can serve to enhance transparency and incentivise employers to take necessary steps to ensure a non-discriminatory workplace. It could also assist in enabling information sharing between companies, so as to widen the adoption of equal opportunity policies and practices in the employment setting.

The EOC has, all along, been working with businesses and organisations towards this end, including through training, public education, and advocacy. We appreciate any measures to further facilitate employers and employees to integrate considerations of diversity, inclusion, and non-discrimination in the formulation of work policies, so as to build a fairer workplace for all.

15. Do you agree with our proposal to incorporate gender disclosure in proposed Subject Area B. Social, under the sub-heading “Employment and Labour Standards”?

☒ Yes

☐ No

Please give reasons for your views.

The EOC supports the above proposal of HKEx to incorporate gender disclosure in Subject Area B under the sub-heading “Employment and Labour Standards”.

As the statutory body responsible for the implementation of the Sex Discrimination Ordinance, the EOC is firmly committed to the promotion of gender equality. It is our belief that harnessing the dynamic energy and talent of our women, as well as fostering their leadership excellence, is of vital importance to Hong Kong’s future development. At the moment, women remain under-represented in leadership positions in Hong Kong, including in board directorship. Yet the talent and abilities of Hong Kong’s women and girls are a considerable resource for our society. It is to the benefit of everyone to ensure that such talent is nurtured and given a level-playing field. Various researches have also pointed to the fact that gender diversity in leadership has positive benefits on the bottom line, such as driving business growth and innovation.

We feel that HKEx’s proposal would help to improve gender diversity in the workplace. This is also a logical follow-up from the amendment to the Corporate Governance Code of HKEx in 2013 regarding board diversity, as there is a need to nurture gender diversity at every level of the company, in addition to the board level.

Having more information on the gender breakdown, at all levels of the company, can help employers to gain a better understanding of their own workforce, identify areas for improvement, and provide factual basis for the formulation of more inclusive policies. Recommending gender disclosure can also help to cultivate a greater sense of transparency and accountability towards improving gender diversity within the organization.

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