

Signature (with Company Chop if the response represents company view)

Part B Consultation Questions

Please indicate your preference by checking the appropriate boxes. Please reply to the questions below on the proposed change discussed in the Consultation Paper downloadable from the HKEx website at: <http://www.hkex.com.hk/eng/newsconsul/mktconsul/Documents/cp201209q.doc>.

Where there is insufficient space provided for your comments, please attach additional pages.

1. Do you agree that the Exchange should promote board diversity?

Yes

No

Please give reasons for your views.

Given the high diversity of listed companies in Hong Kong in their types of industries, business size, geographic locations of their businesses, and shareholder background, board composition needs to be adapted in each case in accordance with the needs of a company. A uniform set of requirements over the demographic and other characteristics of directors of all listed companies will impose unnecessary constraints in the choice of directors and may affect the overall ability of the board of the listed company in understanding and forming a proper view on circumstances and matters affecting the company. Moreover, compliance with regulatory demographic requirement of directors will impose an indirect cost on the company in that the process of choosing new directors and retaining existing directors would need to cater for their demographic characteristics, therefore unnecessary sacrifices may have to be made or additional costs may be incurred.

2. If your answer to Q.1 is “yes”, do you agree that our Corporate Governance Code and Corporate Governance Report is the appropriate place for the new measures on board diversity?

Yes

No

Please give reasons for your views.

N/A

3. Do you agree with our proposal to introduce CP A.5.6 (*the nomination committee or the board should have a policy concerning diversity of board members, and should disclose the policy or a summary of the policy in the corporate governance report*)? Please give reasons for your views.

Yes

No

Please give reasons for your views.

A policy will limit the flexibility to certain issuers. Qualified minority candidates may be in short supply.

4. Do you agree (i) with our proposal to introduce a note under CP A.5.6 to clarify what we mean by diversity; and (ii) with the content of the note? Please give reasons for your views.

(i)
 Yes

No

(ii)
 Yes

No

Please give reasons for your views.

We do not agree with the proposal for the amendments of the Rules for the reasons mentioned above.

5. Do you agree with our proposal to introduce a new mandatory disclosure provision in the Code stating that if the issuer has a policy concerning diversity, it should disclose details of the board's policy or a summary of the policy on board diversity, including any measurable objectives that it has set for implementing the policy, and progress on achieving the objectives? Please give reasons for your views.

Yes

No

Please give reasons for your views.

Please also refer to our comments to Question 3 above.

6. Which of the following would you prefer as the implementation date of the amendments set out in this paper?

- 1 January 2013
- 1 April 2013
- 1 June 2013
- 1 September 2013
- Other, please specify and give reasons.

N/A

- End -