

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.

Encouraging women on board promotes equal opportunities, avoids the pitfall of homogenous views, and certainly makes board meetings more enjoyable. Boards in Hong Kong lack young directors, for obvious reasons. However, it is young people who always have a different perspective to problems and opportunities, and can be used as a sounding board, but so long as we do not have enough of them to dominate the board.

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.

We certainly do not want our Annual Report to contain endless other types of report, so make it part of the Corporate Governance Report is just fine. Besides, board diversity falls snugly in the Corporate Governance category.

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 disclosed policy, whether for or against a principle, is an important communication to stakeholders, including new recruits. It is where as company can attract certain types of talent.

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.

A note adds clarity and avoid misunderstanding, and the content of the note as presently drafted is concise enough as a guidance, but broad enough to allow practical flexibility.

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.

Whenever there is a policy, it should be made known as widely as possible. It is a trend in mature capital market to pursue diversity, though the outcome is not yet successful. Hong Kong should demonstrate initiatives to at least try to become a global capital market citizen.

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.

What's the point of waiting? The policy does not even dictate board diversity, it just serves to inform our stakeholders what we think. If a board cannot put in place such policy in a few months, what is it good for?

- End -