

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.

I consider this consultation is waste of time and resources! Diversity as to gender, age, cultural/education background or professional experience all depend on individual company in a particular business/industry environment. There is no hard and fast rule.

One may wish to take a look at the Obama's cabinet secretaries, or Cameron's cabinet ministers, or CY Leung's government secretaries (Ms Carrie Lam is the only female secretary) or even HKEx's board of director (Ms Laura Cha is the only female director). It is obvious that there is not much diversity there! Is there any "comply or explain" regime for Obama's administration or Cameron's government in relation to their respective cabinet composition. The answer to this must be negative!

I absolutely agree that board diversity should be promoted but not by way of setting guidelines or codes to be imposed on listed companies. We should leave this to the invisible hand of the market which will adjust the composition of the board of directors of listed companies to the extent when and where appropriate after taking into account the particular circumstances of individual listed company. I believe that setting codes or guidelines on board diversity would do more harm than good.

In summary, I consider there are some other areas which HKEx should attempt to consult the market such as: Consultation on the Placing of Shares at Initial Public Offering (IPO) and Pre-IPO Investments; Consultation on Amendments to Connected Transaction Rules; Consultation on Secondary Listing in Hong Kong; or Consultation on Listing of Overseas Companies, etc. These areas are much more important and appropriate than the Consultation on Board Diversity.

Please accept my apologies if I am being too straight-forward. Being a shareholder of HKEx (388), I just want to see HKEx do something worthwhile and not waste its time and resources on something not relevant.

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.

Please see my response to Q.1 above.

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.

Please see my response to Q.1 above.

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.

Please see my response to Q.1 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 see my response to Q.1 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.

Please see my response to Q.1 above.

- End -