
QUESTIONNAIRE ON BOARD DIVERSITY

Part A General Information of the Respondent

- (1) Please state whether your response represents your personal or your company's view by checking () the boxes below and filling in the information as appropriate:

- Company view

Company name*:	International Corporate Governance Network				
Company type*:	<i>HKEx Participant</i> :- <input type="checkbox"/> SEHK <input type="checkbox"/> HKFE				
	<input type="checkbox"/> HKSCC <input type="checkbox"/> SEOCH <input type="checkbox"/> HKCC				
	<input type="checkbox"/> Listed company <input checked="" type="checkbox"/> Professional body / Industry association				
	<input type="checkbox"/> Market practitioner <input type="checkbox"/> None of the above				
Contact person*:	Ms. Rita Benoy Bushon				
Title*:	Co-Chair, Shareholder Responsibilities Committee, ICGN Chief Executive Officer, MSWG Malaysia				
Phone no.*:	+603-20709090		Email address:	rita@mwsg.org.my	

- Personal view

Respondent's full name*:	Mr / Ms / Mrs _____				
Phone no.*:	_____	Email address:	_____		
Among the following, please select the one best describing your position*:					
<input type="checkbox"/> Listed company staff	<input type="checkbox"/> HKEx participant staff	<input type="checkbox"/> Retail investor			
<input type="checkbox"/> Institutional investor	<input type="checkbox"/> None of the above				

Important note: All fields marked with an asterisk (*) are mandatory. HKEx may use the contact information above to verify the identity of the respondent. Responses without valid contact details may be treated as invalid.

- (2) Disclosure of identity

HKEx may publish the identity of the respondent together with Part B of this response to the members of public. Respondents who do not wish their identities to be published should check the box below:

- I/We do not wish to disclose my/our identity to the members of the public.

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.

The ICGN welcomes HKex's proposed Consultation Paper on Board Diversity. Promoting board diversity will improve the competitiveness and the strength of business infrastructure, hence ensuring sustainability in the long run. We are in favour of the introduction of a board diversity policy as this is in line with the principle of good governance and best practices.

We believe that diversity is essential for increasing the organization's ability to cope with changes, responding to increasingly diverse customers and keeping up with a rapidly evolving environment. It is one aspect of corporate governance which results in the increase of shareholder value in the long term. Diversity of views at the highest decision-making echelon of the company have positive impact. A diverse board has a wider and richer base of experience to strategically approach problems. However, we emphasize that we do not promote diversity for the sake of diversity itself. The definition of diversity includes not only demographic factors, such as diversity in terms of gender, age, ethnicity and geography, but also takes into account corporate performance drivers, such as skills, business acumen and qualifications that are required to fulfil business objectives and missions as well.

In addition, we believe that it is timely to push the gender balance agenda as the representation of women on boards is low in most parts of the world. We further believe that gender diversity is an essential part of Board Diversity. Women constitute half the population, customer base and purchasing power so their inclusion to boards makes business sense. As per the result of the survey conducted by ICGN of its members, 75% of respondents favoured the "comply or explain" approach for the inclusion of gender diversity. Majority members also support the idea of increasing

the number of women on boards by including women in recruitment activities.

Lastly, we recommend that companies disclose targets with regard to board diversity and consequently report on the efforts taken to achieve it.

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.

The Corporate Governance Code is the appropriate place to introduce measures on board diversity as it is the Code of all listed companies for best practices and provides a principle-based approach to corporate governance.

The Corporate Governance Report is the right place for disclosing the company policies and objectives on diversity. This can ensure that Shareholders and broader stakeholders would be able to refer to issues expediently, thus promoting transparency.

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*)?

- Yes
 No

Please give reasons for your views.

Disclosure of policy in Corporate Governance Reports promotes transparency and accountability.

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) | (ii) |
| <input checked="" type="checkbox"/> Yes | <input checked="" type="checkbox"/> Yes |
| <input type="checkbox"/> No | <input type="checkbox"/> No |

Please give reasons for your views.

Interpretation of board diversity has already created strong opinions from various sectors. It is important that it is clearly defined to ensure that companies have a clear understanding of the said term.

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.

See 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 give reasons for your views.

No Comments

- End -