

HKIoD Global Webinar Series Supports More Women on Boards

[For immediate release. Hong Kong] The Hong Kong Institute of Directors (“HKIoD”), together with The Institute of Directors South Africa, Institute of Directors New Zealand, Mauritius Institute of Directors, GCC Board Directors Institute and Caribbean Corporate Governance Institute, have jointly organised and concluded a global online conference series that addressed key themes of women in director positions.

The “Women in Governance” series, running through July and August and attracting 500 directors, both men and women registered from around the world, discussed the crucial roles women directors play, their value, and how society can support more women in director positions. The series was divided into three webinars including, “Corporate Governance and Why Gender Matters”, “Women on Boards” and “Corporate Governance Policies that Support Women”.

The three-event nine-hour conference featured 31 speakers, both men and women, and the hosting chief executive officers of the six organiser institutes, who are all women. As the organiser institutes took turns to present speakers, HKIoD played host to the second-half session of the final event with Ms Ada Chung, Privacy Commissioner for Personal Data, Hong Kong as keynote speaker. The Hong Kong panel was moderated by HKIoD Deputy Chairman Ms Bonnie Chan, and consisted of speakers Ms Katherine Ng, who is Chairman of Hong Kong Securities and Investment Institute and also Chief Operating Officer and Head of Policy and Secretariat Services of the HKEX Listing Division, Mr Andrew Weir, Senior Partner Hong Kong and Vice Chairman of KPMG China, and Ms Clara Chan, CEO of listed company Lee Kee Holdings Limited.

On the objective of the conference series, HKIoD CEO Dr Carlye Tsui remarked, “We are all aware of the benefits of gender diversity. Though there has been progress on gender diversity on boards, many companies are still behind in taking action. Women should also upskill themselves and make the most of opportunities. The ‘Women in Governance’ series is a great example of the kind of global conversations needed to ensure we see real change at the board level.” Referring to HKIoD’s long-established community-wide project in the selection of Directors Of The Year, she pointed out that boards are assessed on, *inter alia*, board diversity, which notably includes gender diversity.

In her keynote address, Ms Ada Chung observed that globally women on boards increased from 10% in 2010 to over 20% in 2020, according to a study by Morgan Stanley. She cited recent research findings by McKinsey that the most gender-diverse companies outperformed the least gender-diverse companies by a substantial 48%. She also noted an encouraging trend of women taking up senior leadership positions in Hong Kong.

On policies to increase women’s participation on corporate boards, Ms Chung said, “This can be driven by governments, regulators and companies themselves. One of the most ‘straightforward’ and arguably highly effective measures, is to set a mandatory gender quota for board composition.” She cited the government policy of a gender benchmark for the membership composition of statutory boards and advisory committees, which facilitated the achievement of 34% of appointed non-official members in statutory and advisory bodies being female by the end of 2020.

Ms Chung cited other policies facilitating appointment of women on boards, including transparency in reporting, internal support to develop a pipeline of potential successors to the board, gender diversity targets or gender-balance KPIs in human resources, leadership training and mentorship programmes to prepare women for board membership and support of working mothers.

As for boosting Hong Kong’s status, panel moderator Ms Bonnie Chan remarked, “Hong Kong is an international finance centre that has been advocating diversity and inclusiveness. We are fortunate to be able to operate, value and uphold a fair and competitive marketplace in Hong Kong. However,

we should not take things for granted as we continue with our long march for diversity and inclusiveness.”

Panel speaker Ms Katherine Ng spoke on the evolutionary ESG journey of listed companies under HKEX regulations, specifically covering diversity and inclusiveness. She noted that currently over 800 listed issuers out of the total of 2,500 have single-gender boards. HKEX’s recent public consultation puts forth a proposal that includes a timeline to turn around single-gender boards. Ms Ng believes that companies should continuously review their board composition, given the dynamically changing business environment. On gender diversity, she is calling for not just aspirational statements but action. She said, “We are looking for 1,000+ board opportunities in the next three years. It is not an exercise of finding a token woman on boards but a match of skills. We want to have the right woman on the right board.”

In his address, Mr Andrew Weir clarified for the global audience that Hong Kong’s role as an international finance centre is still going strong, with the major advantages of rule of law, governance and quality directors. He mentioned governance as key to many issues faced by boards. He categorically said, “The diversity perspective needed at the board level has never been greater than now.” On gender diversity of boards, he said, “The challenge is to get rid of those residual barriers on inclusion and diversity”. He stated that people need to indicate whether they are setting targets and how they are getting to them. He said, “There is no shortage of candidates (for women directors). There is a shortage of agile thinking by the people who make the decisions.” He sees that the aligned push of regulators and investors will accelerate the pace of increasing the number of women on boards.

Speaking from the perspective of a non-ferrous metals industry, Ms Clara Chan has witnessed substantial improvement in gender diversity, with the acknowledgement of women’s proven ability and contribution. She is convinced that gender diversity at the board helps in better decision-making, taking up opportunities and enhancing creativity and innovation. Moving forward, she recommended enhancing culture building, communication channels and open mindset. On a certain global appeal for boards to comprise 30% women, she said, “The 30% target stimulates boards to think differently about the changing world after the advance of technology, the pandemic, etc. We need more new minds to offer a variety of perspectives. And the target is achievable”.

Reiterating Hong Kong’s status as an international finance centre, Ms Bonnie Chan said, “Our stakeholders do measure how Hong Kong performs vis-à-vis international benchmarks. If we are lagging behind in diversity, inclusiveness and sustainability, we will lose out in terms of our investment attraction as a financial hub.”

Ms Ada Chung gave her final remarks, “There is no question whether we should go with diversity, but it is the question of how to realise it and how to do it better. In Hong Kong, although we haven’t been making very good progress in gender diversity on boards over the past 10 years, I believe that we will make substantial progress in the next decade, given our strategic position, economic situation and the efforts of all of us.”



Concluding the conference, Dr Carlye Tsui highlighted, “An astounding observation by a speaker in this three-part conference was that at the current pace, it would take over 100 years to catch up in engaging women on boards. With spreading and reinforcement of messages, culture building, policy setting and talent development, we can fast track the process of catching up. This conference series has issued a call for global attention and concrete action, with messages that are clear, vigorous, non-threatening, inspiring and convincing”.

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About The Hong Kong Institute of Directors

The Hong Kong Institute of Directors (“HKIoD”) is Hong Kong’s premier body representing directors to foster the long-term success of companies through advocacy and standards-setting in corporate governance and professional development for directors. A non-profit-distributing organisation with membership consisting of directors from listed and non-listed companies, HKIoD is committed to providing directors with educational programmes and information services and establishing an influential voice in representing directors. With international perspectives and a multi-cultural environment, HKIoD conducts business in biliteracy and trilingualism. HKIoD is a member institute of the Global Network of Director Institutes, a worldwide alliance of 22 leading director institutes representing 150,000 directors.

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